

**TOWN OF ESSEX**

**ECONOMIC DEVELOPMENT  
ACTION STRATEGY**

**Prepared For:  
Essex Economic Development Commission**

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## TABLE OF CONTENTS

	<u>Page</u>
I. INTRODUCTION AND SCOPE OF WORK .....	1
II. DEMOGRAPHIC OVERVIEW.....	2
III. GRAND LIST BALANCE.....	16
IV. BUSINESS INVENTORY.....	19
V. OPPORTUNITIES AND CONSTRAINTS.....	24
VI. ZONING REGULATIONS.....	27
VII. DEVELOPMENT AREAS AND PROJECTED LAND USES.....	34
VIII. FINANCING.....	38
IX. RECOMMENDATIONS.....	41
X. ACTION STRATEGY PHASING PLAN AND TIMELINE .....	45

### APPENDIX

1. Business Inventory Count by Specific Category
2. Complete Business Inventory by Business Listing

## I. INTRODUCTION AND SCOPE OF WORK

The scope of work for the development of an Economic Development Strategy for the Town of Essex was composed of two parts: the assessment process and the strategy development process. The assessment process consisted of several steps ultimately leading to the development of the Action Strategy contained herein. The initial phase of the assessment process involved a review of existing reports, studies and documents related to economic development in Essex in order to become familiar with the unique aspects of Essex's character and economic base. These documents included the Draft Plan of Conservation and Development, the Essex Zoning Regulations and the Wastewater Management Study completed in 1998. The second phase involved using GIS mapping and address mapping or "geocoding" to create as complete a picture of Essex's economic base as possible. Two different business data sources were combined to produce a database of all businesses in the Town of Essex and then match them to their respective locations. Businesses were broken out by standard industrial categories to pinpoint the location of industry sector clusters. The third phase involved analyzing market sector data through the use of GIS and determining the number and type of business uses in each section of Essex. Particular development areas were defined and categorized by their prevalent land uses.

The strategy development process included the analysis of the information, data and materials derived as part of the assessment process, and developing this information into a cohesive overview of the Essex economy. This overview is presented in the first few sections of this report. The Action Strategy, the ultimate objective of this report, was derived from the analysis of the economic overview developed as a result of the assessment process. It provides recommendations and a specific framework of objectives for increasing economic development in Essex while avoiding the degradation of community character. This strategy is presented as the second part of this report, including recommendations and a timeline for phasing in the steps needed to generate additional quality economic development in Essex.

## II. DEMOGRAPHIC OVERVIEW

### Introduction

The understanding of demographic and socio-economic trends, characteristics and forecasts is crucial to the development of an effective economic development strategy. This information provides the background by which future changes and development within a municipality can be anticipated and planned for. This section provides key economic and demographic characteristics and trends for Essex and the surrounding region. The statistics provided in the tables, charts and figures which follow reflect the most up-to-date data available.

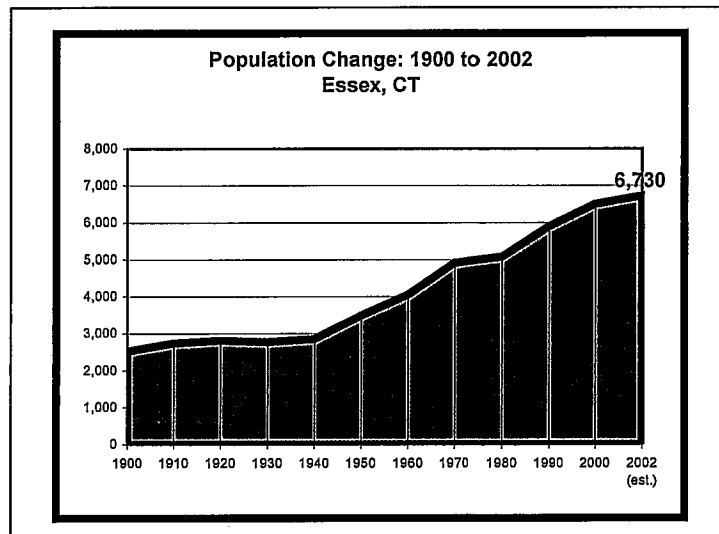
### Population Characteristics

As shown in Table 1 and the figure below, Essex's population growth in the past century has been characterized by a forty year period of little or no growth (1900-1940), a first wave of rapid growth following World War II (1940-1970), a leveling-off period (1970-1980), and a second wave of substantial growth (1980-present). The Town experienced its greatest percentage growth between the 1940 and 1950 Census, increasing in population by over 22%. Essex experienced its greatest numerical growth of 854 people between the 1960 and 1970 Censuses, followed by an additional 826 people between 1980 and 1990. Population growth during the 1950s and 1960s corresponds with the national trend of migration from central cities to surrounding suburbs following World War II and the trend toward larger family sizes and the baby boom. During the 1970s, Essex only gained 167 people, but the 1980s saw a return to double-digit percentage growth. According to 2000 Census figures, population growth took place during the 1990s at a decreased rate of 10.2%, resulting in a population of 6,505.

**Table 1**  
**Population Change: 1900 to 2002**  
**Essex, CT**

Census	Population	% Change
1900	2,530	
1910	2,745	8.5
1920	2,815	2.6
1930	2,777	-1.3
1940	2,859	3.0
1950	3,491	22.1
1960	4,057	16.2
1970	4,911	21.1
1980	5,078	3.4
1990	5,904	16.3
2000	6,505	10.2
2002 (est.)	6,730	3.5

Source: U.S. Bureau of the Census.



When comparing population change of the Town with the surrounding communities of Chester, Deep River, Lyme, Old Lyme, Old Saybrook and Westbrook, regional growth and migration trends are evident. As shown in the following table, Essex and its fellow Lower River communities experienced significant population growth between 1950 and 2000. Essex registered the second lowest percentage increase with an 86.3% increase, ahead of Deep River's 79.4% increase. Old Saybrook, Westbrook and Old Lyme had the largest percentage increases, with 314.8%, 306.2% and 245.9%, respectively. These three towns also had the largest numerical increases over the fifty year period.

**Table 2**  
**Comparison of Population Change: 1950 to 2000**  
**Essex and Surrounding Communities**

	1950 Census	1960 Census	1970 Census	1980 Census	1990 Census	2000 Census	%Change 50 - 00	%Change 90 - 00
<b>ESSEX</b>	<b>3,491</b>	<b>4,057</b>	<b>4,911</b>	<b>5,078</b>	<b>5,904</b>	<b>6,505</b>	<b>86.3</b>	<b>10.2</b>
<b>Lower River Market Area</b>	<b>15,027</b>	<b>21,469</b>	<b>30,319</b>	<b>34,624</b>	<b>37,103</b>	<b>40,939</b>	<b>172.4</b>	<b>10.3</b>
Chester	1,920	2,520	2,982	3,068	3,417	3,743	94.9	9.5
Deep River	2,570	2,968	3,690	3,994	4,332	4,610	79.4	6.4
Essex	3,491	4,057	4,911	5,078	5,904	6,505	86.3	10.2
Lyme	857	1,183	1,484	1,822	1,949	2,016	135.2	3.4
Old Lyme	2,141	3,068	4,964	6,159	6,535	7,406	245.9	13.3
Old Saybrook	2,499	5,274	8,468	9,287	9,552	10,367	314.8	8.5
Westbrook	1,549	2,399	3,820	5,216	5,414	6,292	306.2	16.2
<b>Middlesex County</b>	<b>67,332</b>	<b>88,865</b>	<b>115,018</b>	<b>129,017</b>	<b>143,196</b>	<b>155,071</b>	<b>130.3</b>	<b>8.3</b>
<b>State of Connecticut</b>	<b>2,007,280</b>	<b>2,535,234</b>	<b>3,032,217</b>	<b>3,107,576</b>	<b>3,287,116</b>	<b>3,405,565</b>	<b>69.7</b>	<b>3.6</b>

Source: U.S. Bureau of the Census.

In 1995, the State of Connecticut's Office of Policy and Management (OPM) prepared a population projection series to 2020 for the State and its municipalities. The figures were based upon the 1990 Census and population estimate trends up to 1995. As shown in the table that follows, the State's projection for Essex's year 2000 population was 555 people, or 8.5%, less than the actual Census count. The projected populations for Chester, Deep River and Lyme were more closely in line with the actual 2000 Census counts. However, the projected 2000 populations for the towns of Old Lyme, Old Saybrook and Westbrook were considerably lower than the actual Census counts. In the cases of Old Lyme and Old Saybrook, the actual 2000 population was almost 9% greater than the projected population; for Westbrook, the difference was over 18%.

**Table 3**  
**Comparison of Population Projections: 1990 to 2020**  
**Essex and Surrounding Communities**

	Actual 1990 Census	Actual 2000 Census	2000 Projected	2005 Projected	2010 Projected	2015 Projected	2020 Projected	Projected Change* 2000 - 2020
<b>ESSEX</b>	<b>5,904</b>	<b>6,505</b>	<b>5,950</b>	<b>6,050</b>	<b>6,240</b>	<b>6,480</b>	<b>6,790</b>	<b>14.1</b>
<b>Lower River Market Area</b>	<b>37,103</b>	<b>40,939</b>	<b>37,560</b>	<b>37,830</b>	<b>38,220</b>	<b>38,750</b>	<b>39,320</b>	<b>4.7</b>
Chester	3,417	3,743	3,590	3,710	3,890	4,110	4,330	20.6
Deep River	4,332	4,610	4,450	4,520	4,590	4,680	4,770	7.2
Essex	5,904	6,505	5,950	6,050	6,240	6,480	6,790	14.1
Lyme	1,949	2,016	1,910	1,890	1,880	1,870	1,860	-2.6
Old Lyme	6,535	7,406	6,800	6,960	7,140	7,330	7,500	10.3
Old Saybrook	9,552	10,367	9,540	9,430	9,280	9,150	9,030	-5.3
Westbrook	5,414	6,292	5,320	5,270	5,200	5,130	5,040	-5.3
<b>Middlesex County</b>	<b>143,196</b>	<b>155,071</b>	<b>146,930</b>	<b>150,060</b>	<b>153,900</b>	<b>157,950</b>	<b>162,210</b>	<b>10.4</b>
<b>State of Connecticut</b>	<b>3,287,116</b>	<b>3,405,565</b>	<b>3,316,120</b>	<b>3,364,080</b>	<b>3,435,400</b>	<b>3,512,240</b>	<b>3,593,860</b>	<b>8.4</b>

Source: U.S. Bureau of the Census; State of Connecticut, Office of Policy and Management.  
\*Change between projected 2000 Population and projected 2020 Population.

The State of Connecticut Department of Transportation has recently released a series of new population projections based upon the 2000 Census, summarized in Table 4 below. These projections extend from the baseline Census data for the year 2000 to the year 2025. By the year 2020, Essex is projected to have roughly 170 more people than was originally projected in 1995, Old Lyme is projected to have 670 more people than previously thought, and Chester, Deep River and Lyme are projected to have approximately the same population as projected previously. The picture is different for Old Saybrook and Westbrook, however; both of these towns were projected to lose population between 1995 and 2020 but are now projected to grow by 4%-6%. Westbrook is projected to gain approximately 400 people from the 2000 Census population through 2020,

**Table 5  
Race and Hispanic Origin: 1990 to 2000  
Essex, CT**

	1990 Census	% 1990 Population	2000 Census***	% 2000 Population	Numeric Change	% Change
White	5,814	98.5	6,357	97.7	543	9.3
Black	59	1.0	34	0.5	-25	-42.4
American Indian, Eskimo or Aleut	5	0.1	6	0.1	1	20.0
Asian or Pacific Islander	21	0.4	37	0.6	16	76.2
Other Race	5	0.1	23	0.4	18	360.0
Two or More Races*	N/A	N/A	48	0.7	N/A	N/A
Hispanic Origin**	60	1.0	93	1.4	33	55.0
Total Population	5,904		6,505		601	10.2

Source: U.S. Bureau of the Census.

Notes:

\* The 2000 Census now includes a category for multi-racial persons of two or more races.

\*\* Hispanic Origin populations may be of any race

\*\*\* Due to changes in the reporting categories between the 1990 Census and the 2000 Census, direct comparisons are not possible

## Household Characteristics

Between the 1990 and the 2000 Census, the Town of Essex gained 308 households (12.3%). An increase in households also occurred in all of the neighboring communities. Chester gained 244 households (19.3%), Deep River gained 159 households (9.5%), Lyme gained 42 households (5.2%), Old Lyme gained 390 households (15.2%), Old Saybrook gained 432 households (11.5%) and Westbrook gained 344 households (15.2%). Such gains are reflective of residential development trends and the attraction of these communities for residential growth.

Average household size dropped slightly from 2.30 persons per household to 2.27 persons per household. Drops in average household size are consistent with recent regional and national trends. Household sizes have decreased as a result of an increase in single person households, an increase in divorce and separations, the tendency for young professionals to delay marriage and families, and an increase in the number of elderly who remain in their own homes as opposed to residing with family. Average household size in Essex is lower than all of its neighboring communities, and is substantially lower than Middlesex County and the State.

**Table 6**  
**Trends in Households & Household Sizes: 1990 to 2000**  
**Essex and Surrounding Communities**

	Population in Households 1990 Census	Households 1990 Census	Average Household Size 1990	Population in Households 2000 Census	Households 2000 Census	Average Household Size 2000
<b>ESSEX</b>	<b>5,769</b>	<b>2,503</b>	<b>2.30</b>	<b>6,374</b>	<b>2,811</b>	<b>2.27</b>
<b>Lower River Market Area</b>	<b>36,394</b>	<b>14,827</b>	<b>2.45</b>	<b>40,190</b>	<b>16,746</b>	<b>2.40</b>
Chester	3,257	1,266	2.57	3,587	1,510	2.38
Deep River	4,171	1,665	2.51	4,492	1,824	2.46
Essex	5,769	2,503	2.30	6,374	2,811	2.27
Lyme	1,949	812	2.40	2,008	854	2.35
Old Lyme	6,535	2,568	2.54	7,398	2,958	2.50
Old Saybrook	9,312	3,752	2.48	10,094	4,184	2.41
Westbrook	5,401	2,261	2.39	6,237	2,605	2.39
<b>Middlesex County</b>	<b>137,157</b>	<b>54,651</b>	<b>2.51</b>	<b>148,844</b>	<b>61,341</b>	<b>2.43</b>
<b>State of Connecticut</b>	<b>3,185,949</b>	<b>1,230,479</b>	<b>2.59</b>	<b>3,297,626</b>	<b>1,301,670</b>	<b>2.53</b>

Source: U.S. Bureau of the Census.

According to 2000 Census figures, of the 2,811 households in Essex, 63.2% are family households containing one or more related individuals and 36.8% are non-family households. As shown in Table 7 below, 765 households in Essex are family households with children under the age of 18. Of these 765 family households with children, 652 or 85.2% are married couple families; 81 or 10.6% are single mother families; and it can be assumed that the remaining 32 or 4.2% are single father families or children living with other family members besides their parents.

Non-family households comprised 36.8% of all households in the Town according to the 2000 Census. Non-family households include individuals living alone or households which contain one or more non-related individuals. They do not include people living in group quarter situations such as nursing homes, group homes, dormitories or other similar shared housing accommodations. Of the 1,034 non-family households enumerated by the 2000 Census, 894 were householders living alone or single person households. These single person households comprised 31.8% of the Town's total households. Elderly individuals living alone made up 458 of the 894 single person households. The number of single person elderly households, especially those living in private market housing, is an important figure because many of these households will leave their homes due to health or age-related reasons, vacating existing housing units. Oftentimes, this turnover of units becomes an important resource for new families and households moving to a community.



**Table 7**  
**Households by Household Type: 2000**  
**Essex, CT**

Household Type	Number of Households	% of Households
Family Household	1,777	63.2
With Own Children Under 18	765	27.2
Married Couple Family	1,564	55.6
With Own Children Under 18	652	23.2
Female Householder, no husband present	147	5.2
With Own Children Under 18	81	2.9
Non-Family Household	1,034	36.8
Householder Living Alone	894	31.8
Householder 65 years and over	458	16.3
Households with individuals under 18	798	28.4
Households with individuals 65 years and over	918	32.7
Total Households	2,811	

Source: U.S. Bureau of the Census.

### Income Characteristics

Between 1990 and 2000, Essex and all of its surrounding towns experienced significant growth in median household income; every town in the Lower River Area exceeded the State's growth rate in median household income. Essex saw its median household income increase by 48.2% over the decade, far surpassing the State rate of 29.3%. Other towns, such as Lyme, Chester and Westbrook, experienced median household growth at almost double the State rate, in the range of 50% to 60%. As a result of these high growth rates, the towns in the Lower River Area increased substantially as a percentage of the State median household income. Essex, whose median household income was only slightly above that of the State in 1990 (107.9%), is now considerably higher when compared to the State as a whole (123.8%). Essex is now 54<sup>th</sup> out of the 169 Connecticut towns in median household income.

**Table 8**  
**Trends in Household Income: 1990 to 2000**  
**Essex and Surrounding Communities**

	Median Household Income 1990 Census	% of State Median Household Income	Median Household Income 2000 Census	% of State Median Household Income	% Change, 1990-2000
<b>ESSEX</b>	<b>\$45,033</b>	<b>107.9</b>	<b>\$66,746</b>	<b>123.8</b>	<b>48.2</b>
<b>Lower River Market Area</b>	<b>\$44,515</b>	<b>106.7</b>	<b>\$63,046</b>	<b>116.9</b>	<b>41.6</b>
Chester	\$43,698	104.7	\$65,156	120.8	49.1
Deep River	\$39,560	94.8	\$51,677	95.8	30.6
Essex	\$45,033	107.9	\$66,746	123.8	48.2
Lyme	\$45,848	109.9	\$73,250	135.8	59.8
Old Lyme	\$50,813	121.8	\$68,386	126.8	34.6
Old Saybrook	\$48,223	115.6	\$62,742	116.3	30.1
Westbrook	\$37,534	90.0	\$57,531	106.7	53.3
<b>Middlesex County</b>	<b>\$43,212</b>	<b>103.6</b>	<b>\$59,175</b>	<b>109.7</b>	<b>36.9</b>
<b>State of Connecticut</b>	<b>\$41,721</b>	<b>100.0</b>	<b>\$53,935</b>	<b>100.0</b>	<b>29.3</b>

Source: U.S. Bureau of the Census.

While household income in Essex increased noticeably between 1990 and 2000, family income experienced an even greater rate of growth in the Town. Essex's median family income increased by 61.0%, nearly double the growth rate of the State, to \$88,888. Within the immediate geographic area, Essex now has the highest median family income of any town. The towns of Chester, Lyme and Westbrook also had high rates of growth in family income between 1990 and 2000, while Deep River, Old Lyme and Old Saybrook had growth rates more in line with the State.

**Table 9**  
**Trends in Family Income: 1990 to 2000**  
**Essex and Surrounding Communities**

	Median Family Income 1990 Census	% of State Median Family Income	Median Family Income 2000 Census	% of State Median Family Income	% Change, 1990-2000
<b>ESSEX</b>	<b>\$55,220</b>	<b>112.2</b>	<b>\$88,888</b>	<b>135.7</b>	<b>61.0</b>
<b>Lower River Market Area</b>	<b>\$52,210</b>	<b>106.1</b>	<b>\$63,046</b>	<b>116.9</b>	<b>41.6</b>
Chester	\$50,839	103.3	\$79,941	122.0	57.2
Deep River	\$45,690	92.9	\$62,260	95.0	36.3
Essex	\$55,220	112.2	\$88,888	135.7	61.0
Lyme	\$52,863	107.4	\$82,853	126.5	56.7
Old Lyme	\$56,625	115.1	\$75,779	115.7	33.8
Old Saybrook	\$55,000	111.8	\$72,868	111.2	32.5
Westbrook	\$44,469	90.4	\$71,344	108.9	60.4
<b>Middlesex County</b>	<b>\$50,891</b>	<b>103.4</b>	<b>\$71,319</b>	<b>108.8</b>	<b>40.1</b>
<b>State of Connecticut</b>	<b>\$49,199</b>	<b>100.0</b>	<b>\$65,521</b>	<b>100.0</b>	<b>33.2</b>

Source: U.S. Bureau of the Census.

Essex also experienced a substantial surge in its per capita income between 1990 and 2000. The per capita income grew from \$26,590 to \$42,806 during the 1990s, a gain of 61.0%. The towns of Deep River, Chester and Old Lyme also had very high rates of growth in per capita income. Only Old Saybrook and Westbrook had per capita incomes that grew at a slower rate than the State of Connecticut.

**Table 10**  
**Trends in Per Capita Income: 1990 to 2000**  
**Essex and Surrounding Communities**

	Per Capita Income 1990 Census	% of State Per Capita Income	Per Capita Income 2000 Census	% of State Per Capita Income	% Change, 1990-2000
<b>ESSEX</b>	<b>\$26,590</b>	<b>131.7</b>	<b>\$42,806</b>	<b>148.8</b>	<b>61.0</b>
<b>Lower River Market Area</b>	<b>\$23,480</b>	<b>116.3</b>	<b>\$35,225</b>	<b>122.5</b>	<b>50.0</b>
Chester	\$19,908	98.6	\$32,191	111.9	61.7
Deep River	\$18,995	94.1	\$32,604	113.3	71.6
Essex	\$26,590	131.7	\$42,806	148.8	61.0
Lyme	\$28,786	142.6	\$43,347	150.7	50.6
Old Lyme	\$25,258	125.1	\$41,386	143.9	63.9
Old Saybrook	\$24,409	120.9	\$30,720	106.8	25.9
Westbrook	\$20,758	102.8	\$28,680	99.7	38.2
<b>Middlesex County</b>	<b>\$19,660</b>	<b>97.4</b>	<b>\$28,251</b>	<b>98.2</b>	<b>43.7</b>
<b>State of Connecticut</b>	<b>\$20,189</b>	<b>100.0</b>	<b>\$28,766</b>	<b>100.0</b>	<b>42.5</b>

Source: U.S. Bureau of the Census.

## Connecticut, Lower River Labor Market Area and Essex Economies

During the past ten years, the Connecticut economy has provided most residents with a high economic standard of living, enabled by one of the highest per capita income levels in the United States. Table 11 describes how Essex and the Lower River Labor Market Area (LMA) function within Connecticut's economy.

**TABLE 11**

### **Trends in Population, Labor Force, Employment and Unemployment**

#### **Connecticut, Lower River Labor Market Area and the Town of Essex**

( By Place of Residence )

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
<b>Connecticut</b>										
Population	3,275,251	3,274,662	3,274,238	3,269,858	3,274,069	3,282,031	3,409,549	3,425,074	3,460,503	N/A
Labor Force	1,735,900	1,712,500	1,721,200	1,723,300	1,706,600	1,708,400	1,746,500	1,717,600	1,719,900	1,803,100
Employed	1,639,300	1,618,100	1,622,400	1,635,400	1,649,300	1,654,500	1,707,100	1,661,300	1,652,500	1,704,000
Unemployed	96,700	94,900	98,800	87,900	57,300	54,000	39,300	56,400	67,400	99,100
% Unemployed	5.6	5.5	5.7	5.1	3.4	3.2	2.3	3.3	3.9	5.5
<b>Lower River LMA</b>										
Population	21,186	21,257	21,375	21,954	22,020	22,500	23,186	23,409	23,832	N/A
Labor Force	11,963	11,672	12,158	12,264	11,988	12,211	12,938	12,780	13,205	13,354
Employed	11,433	11,177	11,613	11,778	11,664	11,923	12,733	12,515	12,782	12,843
Unemployed	530	495	545	486	324	288	205	265	423	511
% Unemployed	4.4	4.2	4.5	4.0	2.7	2.4	1.6	2.1	3.2	3.8
<b>Essex</b>										
Population	5,838	5,855	5,835	6,133	6,143	6,197	6,518	6,539	6,730	N/A
Labor Force	3,284	3,214	3,277	3,284	3,185	3,258	3,440	3,399	3,590	3,633
Employed	3,154	3,084	3,134	3,179	3,100	3,173	3,388	3,330	2,489	3,506
Unemployed	130	130	143	105	85	85	52	69	101	127
% Unemployed	4.0	4.0	4.4	3.2	2.7	2.6	1.5	2.0	2.8	3.5

Source: Annual Population – CT Dept. of Public Health; Employment Data – CT Dept. of Labor.

### Labor Force

On the state-wide level, the low rate of population growth, combined with the aging of Connecticut's population, resulted in a labor force which declined in size between 1993 and 2002. However, the increase in the population growth of the Lower River Labor Market

Area led to an increase in the Area's labor force. The resident labor force of Essex increased by 10.6% (349 persons) between 1994 and 2003.

### Employment

In 1992-1993, the Connecticut economy bottomed-out from a recession which began in 1989. Employment in Connecticut grew steadily from 1993 through mid 2000, when the State economy began to experience a new economic contraction. It should be noted that historic employment levels in Connecticut peaked in July of 1990 at 1,742,420 jobs and in spite of the economic expansion of the late 1990's, employment has never returned to this level. Connecticut is currently struggling to emerge from a recession. Between July of 2000 and September of 2004, employment levels in Connecticut declined by 57,100 jobs.

TABLE 12										
CONNECTICUT'S EMPLOYMENT TRENDS										
Annual Average Employment: June 1993 - June 2001										
(000's Jobs)										
	1993	1994	1995	1996	1997	1998	1999	2000	2001	Changes
<b>Total Non-farm</b>	<b>1,525.7</b>	<b>1,545.8</b>	<b>1,556.1</b>	<b>1,584.3</b>	<b>1,609.7</b>	<b>1,641.7</b>	<b>1,666.1</b>	<b>1,698.0</b>	<b>1,686.5</b>	<b>160.8</b>
<b>Goods Producing</b>	<b>340.8</b>	<b>335.3</b>	<b>330.9</b>	<b>328.1</b>	<b>333.7</b>	<b>336.9</b>	<b>329.5</b>	<b>329.6</b>	<b>322.1</b>	<b>-18.7</b>
Mining	0.9	0.7	0.7	0.7	0.7	0.7	0.8	0.9	0.9	0.0
Construction	46.7	49.3	50.6	52.8	56.4	58.2	60.2	64.9	65.7	19.0
Manufacturing	293.2	285.3	279.6	274.6	276.6	278.0	268.5	263.8	255.5	-37.7
<b>Service Producing</b>	<b>1,184.9</b>	<b>1,210.5</b>	<b>1,227.2</b>	<b>1,256.2</b>	<b>1,276.0</b>	<b>1,304.8</b>	<b>1,336.6</b>	<b>1,368.4</b>	<b>1,364.4</b>	<b>179.5</b>
T.C.P.U.**	69.1	70.1	71.7	73.9	75.0	76.3	77.4	79.8	79.5	10.4
Trade	329.8	336.5	338.8	346.8	351.7	355.6	357.5	365.4	358.7	28.9
Wholesale	75.1	76.3	77.7	80.3	82.4	83.3	81.1	81.8	78.3	3.2
Retail	254.7	260.2	261.1	266.5	269.3	272.3	276.4	283.6	280.4	25.7
Finance, Insurance & Real Estate	139.6	136.7	132.8	132.0	131.9	135.5	140.0	141.8	142.3	2.7
Service (includes Non-profit)	437.0	449.1	464.4	480.6	493.1	511.2	526.5	537.9	540.5	103.5
Government	209.4	218.1	219.5	222.9	224.3	226.2	235.2	243.5	243.4	34.0
*Disclosure provisions of Connecticut's Unemployment Insurance Law prohibit the release of figures which tend to reveal data reported by individual firms. Manufacturing data in this category are included in the "Other Manufacturing" group.										
**Transportation, Communications & Public Utilities (incl. Railroads)										
NOTE: The sum of industry groups may not add exactly to totals due to rounding.										

Source: CT Dept. of Labor.

## Essex's Economic Base

Table 13 describes employment in Essex, by sector of the economy, between 1993 and 2001. In 2001, only 70.3% of the jobs in Essex were within the "service producing" sector of the economy, with the balance in the "goods producing" sector. This compares to employment in all of Middlesex County, where 76.7% of the jobs fell within the "service producing" sector of the economy and the balance in the "goods producing" sector and the State's economy, where 81% of jobs were located within the "service producing" sector of the economy and the balance were in the "goods producing" sector.

TABLE 13										
ESSEX'S EMPLOYMENT TRENDS										
Annual Average Employment: June 1993 - June 2001										
	1993	1994	1995	1996	1997	1998	1999	2000	2001	Changes
<b>Total Non-farm</b>	<b>3,230</b>	<b>3,270</b>	<b>3,490</b>	<b>3,560</b>	<b>3,510</b>	<b>3,600</b>	<b>3,640</b>	<b>3,790</b>	<b>3,800</b>	<b>570</b>
<b>Goods Producing</b>	<b>890</b>	<b>930</b>	<b>1,200</b>	<b>1,250</b>	<b>1,130</b>	<b>1,130</b>	<b>1,090</b>	<b>1,200</b>	<b>1,130</b>	<b>240</b>
Construction	310	310	200	260	190	230	250	240	210	-100
Manufacturing	580	620	1,000	960	940	900	840	960	920	340
Textile and Apparel	*	*	*	*	*	*	*	*	*	*
Paper, Printing & Publishing	*	*	*	*	*	*	*	*	*	*
Chemical, Rubber & Misc. Plastics	*	100	80	30	70	70	70	70	70	*
Fabricated Metals	60	60	220	200	210	200	200	220	220	160
Machinery	*	*	*	*	*	*	*	*	*	*
Electrical Equipment	*	*	*	*	*	*	*	*	*	*
Other Man.	520	460	710	730	660	630	570	670	630	110
<b>Service Producing</b>	<b>2,340</b>	<b>2,340</b>	<b>2,300</b>	<b>2,310</b>	<b>2,380</b>	<b>2,470</b>	<b>2,550</b>	<b>2,590</b>	<b>2,670</b>	<b>330</b>
T.C.P.U.**	*	60	70	90	100	130	180	170	180	*
Trade	850	840	760	810	840	910	890	920	970	120
Wholesale	190	200	190	220	250	280	280	290	350	160
Retail	660	640	570	590	590	630	610	630	620	-40
Finance, Insurance & Real Estate	160	200	200	200	220	240	230	230	220	60
Service (includes Non-profit)	1,140	1,120	1,150	1,070	1,080	1,060	1,120	1,140	1,150	10
Government	*	110	110	140	140	130	130	130	150	*
*Disclosure provisions of Connecticut's Unemployment Insurance Law prohibit the release of figures which tend to reveal data reported by individual firms. Manufacturing data in this category are included in the "Other Manufacturing" group.										
**Transportation, Communications & Public Utilities (incl. Railroads)										
NOTE: The sum of industry groups may not add exactly to totals due to rounding.										

Source: CT Dept. of Labor.

### Changing Characteristics of Essex's Employment Base

Overall, the employment base of Essex grew by 17.6% between 1993 and 2001, adding 570 jobs to the Essex economy. By comparison, employment in Connecticut during the same period grew by 10%, as described in Table 12 and employment in the five town Lower River Labor Market Area, which includes Essex, grew by 13.5%. This substantial growth is attributable to an increase in jobs across a number of economic sectors, including both manufacturing and service-producing industries. The largest increases were experienced in fabricated metals manufacturing, which gained 160 jobs (a 266.7% increase), and wholesale trade, which also gained 160 jobs (an 84.2% increase). Employment in the other sectors of Essex's economy grew by a combined 250 jobs between 1993 and 2001, representing an 8.4% increase. Only the construction sector experienced a significant loss of jobs, losing 100 jobs (-32.3%) between 1993 and 2001; a small decline of 40 jobs (-6.1%) also occurred in the retail trade sector.

The composition of Essex's employment base also experienced fluctuations between 1993 and 2001. Unlike most towns in Connecticut, Essex has actually had an increasing share of its local jobs come from the goods producing sector of the economy. The percent of jobs in the goods producing sector in 1993 was 27.6%, but has since grown to 29.7% in 2001. While many communities spent the 1990s rapidly transitioning to a more service-based economy, Essex has continued to maintain a very balanced economy with a healthy industrial base, particularly for a town of its size. Table 13 describes the changes in the make-up of Essex's employment base from 1993 through 2001.

### Essex's Resident Labor Force

In 2001, the labor force generated by Essex residents numbered 3,399 people. This compares to approximately 3,800 persons employed within Essex. In 2001, the number of jobs located in Essex exceeded the resident labor force by 11.8%. Essex's resident labor force represented 26.6% of the total labor force in the Lower River Labor Market Area in 2001.

Table 15 describes the employment characteristics of Essex's economy relative to the five adjacent communities. Note that Essex has a very large number of jobs, particularly in the goods producing sector, relative to its population. The number of jobs in Essex far exceeds the number in Deep River and Old Lyme, towns that have population sizes comparable to Essex. Clinton, a Middlesex

County town that has approximately twice the population of Essex, has only slightly more jobs than Essex has.

TABLE 14							
ESSEX'S IMMEDIATE MARKET AREA							
Employment by Town- June 2001							
	Chester	Deep River	Essex	Lyme	Old Lyme	Old Saybrook	Westbrook
Total Nonfarm	1,850	1,280	3,800	140	2,310	6,470	3,120
Goods Producing	820	460	1,130	40	280	1,540	840
Construction	70	30	210	30	220	290	40
Manufacturing	750	430	920	10	60	1,250	800
Textile & Apparel	0	0	*	0	*	*	*
Paper, Printing & Publishing	0	*	*	0	*	*	*
Chemical, Rubber & Misc. Plastics	0	*	70	0	*	*	0
Fabricated Metals	240	*	220	0	*	*	*
Machinery	*	*	*	*	*	*	*
Electrical Equipment	*	*	*	0	*	*	320
Other Manufact.	510	430	630	*	*	*	480
Service	1,030	820	2,670	100	2,030	4,930	2,280
T.C.P.U.**	20	70	180	*	70	150	200
Trade	150	120	970	*	570	2,330	870
Wholesale	30	10	350	*	120	340	60
Retail	120	110	620	*	450	1,990	810
Finance, Insurance & Real Estate	30	20	220	0	90	100	20
Service (includes Non-profit)	740	260	1,150	30	1,010	1,940	860
Government	90	350	150	30	290	410	330
*Disclosure provisions of Connecticut's Unemployment Insurance Law prohibit the release of figures which tend to reveal data reported by individual firms. Manufacturing data in this category are included in the "Other Manufacturing" group.							
**Transportation, Communications & Public Utilities (incl. Railroads)							
NOTE: The sum of industry groups may not add exactly to totals due to rounding.							

Source: CT Dept. of Labor.



### III. GRAND LIST BALANCE

Under Section VIII of the 2004 Plan of Conservation and Development for Essex, one of the recommendations made is “strive for a tax base that obtains not more than 75% of its revenue from residential properties.”<sup>1</sup> At present, over 85% of the real estate portion of the grand list is residential; a large increase in residential assessed values in Essex due to the recent revaluation has made returning to a point of 75% residential/25% non-residential is no longer fiscally feasible, and likely undesirable for a number of reasons.

Table 15 below illustrates the changes in Essex’s grand list over the last 10 years. For simplicity, only residential, commercial and industrial assessed values were examined and compared, as these categories of land account for the entire grand list. Motor vehicles and other personal property assessed values were also omitted so that the focus of the analysis would be solely on real property.

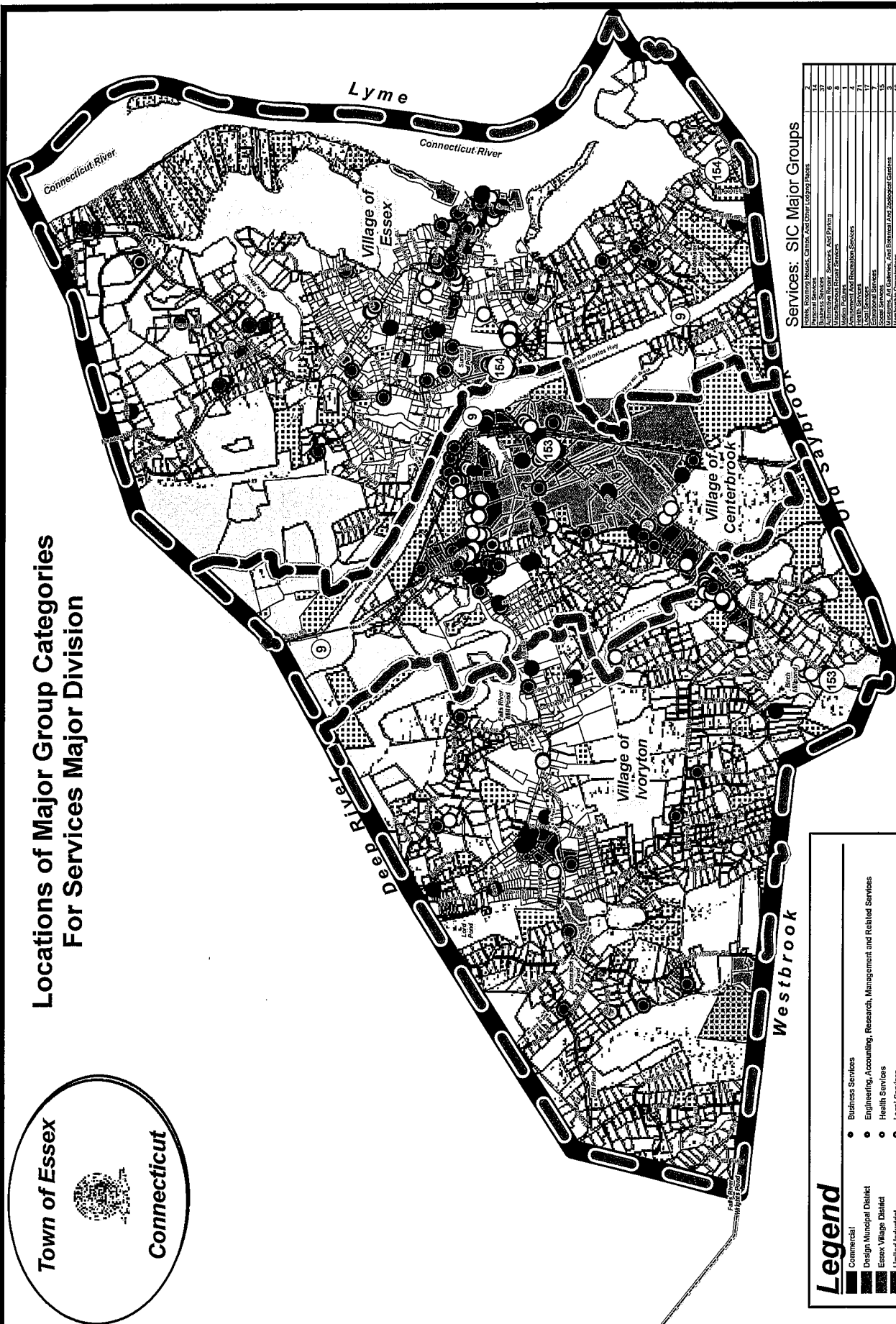
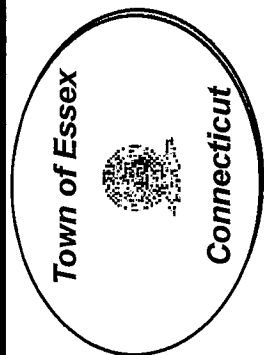
**Table 15**

Year	Residential	Commercial	Industrial	
1995	437,196,010	77,579,020	28,366,660	
1996	443,605,090	77,221,800	28,249,270	
1997	447,907,770	77,624,030	28,087,640	
1998	456,750,720	60,271,210	27,943,920	
1999	435,332,540	73,366,460	25,458,360	
2000	448,408,360	73,750,980	26,406,180	
2001	459,401,970	74,730,550	26,625,550	
2002	466,707,720	75,657,270	26,625,550	
2003	775,028,800	102,265,900	32,917,100	
2004	781,290,200	102,438,700	32,890,400	
Year	Residential	Commercial	Industrial	TOTAL RCI
1995	80.49%	14.28%	5.22%	543,141,690
1996	80.79%	14.06%	5.14%	549,076,160
1997	80.91%	14.02%	5.07%	553,619,440
1998	83.81%	11.06%	5.13%	544,965,850
1999	81.50%	13.73%	4.77%	534,157,360
2000	81.74%	13.44%	4.81%	548,565,520
2001	81.93%	13.33%	4.75%	560,758,070
2002	82.02%	13.30%	4.68%	568,990,540
2003	85.15%	11.24%	3.62%	910,211,800
2004	85.24%	11.18%	3.59%	916,619,300

Source: Town of Essex, Assessor’s Office.

<sup>1</sup> Town of Essex, “2004 Essex Plan of Conservation and Development” (Essex, CT: 2004), p. 41.

# Locations of Major Group Categories For Services Major Division

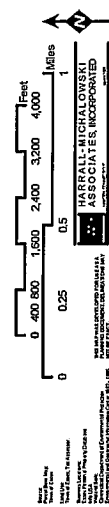


### Legend

Commercial	Business Services
Design Municipal District	Engineering, Accounting, Research, Management and Related Services
Essex Village District	Health Services
United Industrial	Legal Services
Municipal and Industrial District	Membership Organizations
Village Residence District	Personal Services
Waterfront Business District	Social Services
Vacant Land	Other Services
Wetland	
Wetland Soils	

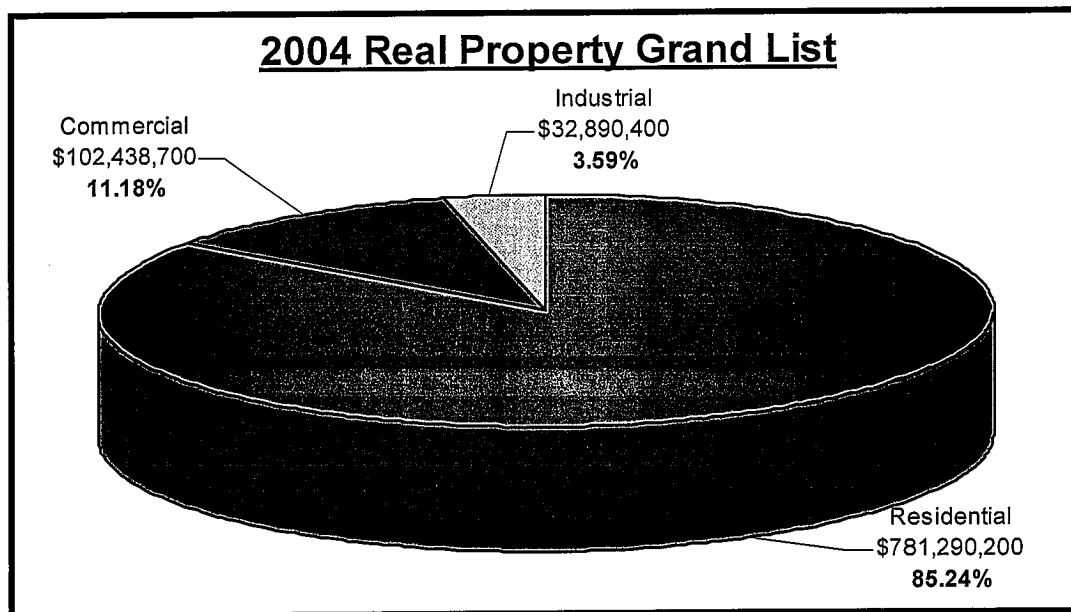
### Services: SIC Major Groups

2	Non-Durable Goods, Chemicals, and Allied Products
3	Business Services
4	Automotive Repair, Services, and Parts
5	Food and Kindred Products
6	Textile Milling
7	Apparel and Fashion Services
8	Leisure Services
9	Transportation Services
10	Communication Services
11	Health Services
12	Education, Research, Management, and Related Services
13	Professional Services
14	Government Services
15	Real Estate Services
16	Finance, Insurance, and Credit Services
17	Public Administration
18	Arts, Entertainment, and Recreation
19	Services, except Public Administration
20	Unemployment Insurance
21	Other Services, except Public Administration



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In 1995, residential property accounted for approximately 80.5% of the real property assessed value in Essex. This value increased slowly from 1996 to 2002, climbing to 82% while both the commercial and industrial values actually declined during the same period. However in 2003, after revaluation, the residential assessed value in Essex grew by over 66%, jumping from roughly \$467 million to over \$775 million. While the commercial and industrial assessed values climbed by 35.2% and 23.5%, respectively, they were unable to keep pace with the tremendous growth in residential values. This situation is not unique to Essex, as many communities in Connecticut are experiencing rapid rises in housing values. As a result of this growth in residential values, the residential component of the grand list increased from 82% in 2002 to over 85% in 2003, a rate of growth that was double the growth during the preceding seven years combined.



In terms of trying to achieve a 75% residential/25% non-residential balance in the grand list, the last revaluation had a two-fold impact. First, the increasing residential component of the grand list is moving away from the target of 75%, making in much more difficult to reach that target. Second, because the total grand list value has increased substantially, a greater raw increase in commercial and industrial values is needed to move forward on a percentage basis. The more the grand list increase in value and the greater the share of the grand list that comes from residential property value, the harder it becomes to balance the various real property components.

In order to determine the growth that would be needed in commercial and industrial assessed value to bring the grand list into a 75%/25% balance, we must find the total value where the current residential assessed value would equal 75%.

$$\begin{aligned} \$781,290,200 &= 0.75x \\ \$781,290,200/0.75 &= 0.75x/0.75 \\ x &= \$1,041,720,266 \end{aligned}$$

At a total assessed value of \$1,041,720,266, the present residential assessed value of \$781,290,200 would equal 75% of the total.

$$\$1,041,720,266 - \$781,290,200 = \$260,430,066$$

Therefore, the non-residential (commercial and industrial) assessed value would be \$260,430,066. In comparison, the present non-residential assessed value in Essex is only \$135,329,100. Thus, in order to achieve a 75% residential/25% non-residential assessed value balance, the commercial and industrial assessed value in Essex would need to increase by \$125,100,966. This represents an increase in value of 92.4%, *while holding the residential assessed value constant*. Even to return to the 80% residential/20% non-residential balance of 1995 would require an increase of \$60 million or 44.3% while still holding the residential value constant. Either one of these projected targets would be tremendously difficult to reach. In addition, not only would these goals be both physically and economically improbable, if they were achieved they would radically alter the nature and character of the Town of Essex. Such a change could actually be counter-productive by diminishing one of Essex's most potent economic development tools – capitalizing on the Town's unique character. The Town should not focus so much on achieving a certain percentage of the tax base as non-residential, but rather should simply strive to for a much more achievable goal of expanding the commercial and industrial tax base in a manner consistent with the character of Essex.

## **IV. BUSINESS INVENTORY**

For a small town, Essex has a varied and cosmopolitan mix of commercial and industrial uses and establishments. From professional and medical offices to water-related commercial uses, building contractors to high-end clothing stores, Essex's business community represents a wide variety of commercial and industrial sectors. This fact gives the Town the benefit of a diverse economy that can weather changes in the larger macroeconomic business cycles and is much more stable than Town's whose economy relies solely on a single large employer or a small number of similar businesses.

### **Inventory Data**

Two sources of data were utilized to compile a complete business inventory database for the Town of Essex. The first source was the Town's personal property database from the Essex Assessor's Office. This database provided HMA with a baseline data source from which personal property records could be extrapolated and individual businesses identified and located. The second data source was a database of Town businesses provided to the Town of Essex by InfoUSA, and which was forwarded to HMA. The Town's personal property database and the database obtained from InfoUSA were merged into a final database and sorted to eliminate duplication. In several instances where the databases were contradictory or unclear, individual properties were field checked for better accuracy. Although there were cases of businesses being located at the wrong address or no longer being in operation, the final database compiled represents an accurate picture of the commercial and industrial business community in Essex.

### **SIC Code**

Every type of business establishment has a Standard Industrial Classification (SIC) code assigned to at a very specific level of detail. These codes help planners, economists and economic development officials categorize businesses by very general types (manufacturing, wholesale, etc.) and by progressively more specific industry classifications.

### **Geocoding Businesses**

Utilizing the compiled database, the businesses identified were geocoded to the Town of Essex's GIS parcel base map through address matching. Although there were some issues with the address fields of the parcel base map, such as certain parcels not being numbered, and differences in naming conventions for some streets between the Census TIGER files and the parcel base map, the businesses were mapped with a high degree of confidence that the majority of them were in the correction location.

### **Business Inventory by SIC Code**

Table 16 below illustrates the 684 businesses in the Town of Essex as broken down by SIC major division. Over 40% of the businesses fall under the Services category, with another 18.6% in the Retail Trade category. Construction businesses and Finance, Insurance and Real Estate firms are also notable at 8.3% and 7.3%, respectively.

**Table 16**

<b>SIC DIVISION CATEGORY</b>	<b>BUSINESSES</b>
Division A: Agriculture, Forestry, and Fishing	18
Division B: Mining	0
Division C: Construction	57
Division D: Manufacturing	28
Division E: Transportation, Communications, Electric, Gas, and Sanitary Services	26
Division F: Wholesale Trade	37
Division G: Retail Trade	127
Division H: Finance, Insurance, and Real Estate	50
Division I: Services	278
Division J: Public Administration	37
Unknown	26
<b>TOTAL</b>	<b>684</b>
Sources: (1) Listing of Essex Businesses Conducted by InfoUSA in January, 2005; (2) Town of Essex Personal Property Database; Compiled by HMA, Incorporated in March 2005.	

When broken down further into major groups within each major division, the view of Essex's economy becomes clearer. At this level of analysis, the largest category is Health Services with 71

establishments, followed by Engineering, Accounting, Research, Management and Related Services with 58 establishments and Miscellaneous Retail with 52 establishments. At the major group level, it becomes evident that Essex's service sector is heavily oriented toward professional occupations. Other major groups with a considerable presence in the economy of the Town include Business Services, Building Construction General Contractors and Operative Builders, Construction Special Trade Contractors, Wholesale Trade-Durable Goods, and Eating and Drinking Places.

**Table 17**

<b>CODE</b>	<b>SIC MAJOR GROUP</b>	<b>BUSINESSES</b>
1	Agricultural Production Crops	1
7	Agricultural Services	17
15	Building Construction General Contractors and Operative Builders	29
16	Heavy Construction Other Than Building Construction Contractors	2
17	Construction Special Trade Contractors	26
27	Printing, Publishing, and Allied Industries	7
28	Chemicals and Allied Products	1
30	Rubber and Miscellaneous Plastics Products	1
35	Industrial and Commercial Machinery and Computer Equipment	3
36	Electronic and Other Electrical Equipment and Components, Except Computer Equipment	4
37	Transportation Equipment	1
38	Measuring, Analyzing, and Controlling Instruments	1
39	Miscellaneous Manufacturing Industries	10
40	Railroad Transportation	1
41	Local And Suburban Transit And Interurban Highway Passenger Transportation	3
42	Motor Freight Transportation And Warehousing	2
43	United States Postal Service	3
44	Water Transportation	9
47	Transportation Services	4
48	Communications	3
49	Electric, Gas, And Sanitary Services	1
50	Wholesale Trade-durable Goods	28
51	Wholesale Trade-non-durable Goods	9
52	Building Materials, Hardware, Garden Supply, And Mobile Home Dealers	7
53	General Merchandise Stores	4
54	Food Stores	11
55	Automotive Dealers And Gasoline Service Stations	11
56	Apparel And Accessory Stores	10

57	Home Furniture, Furnishings, And Equipment Stores	11
58	Eating And Drinking Places	21
59	Miscellaneous Retail	52
60	Depository Institutions	9
61	Non-depository Credit Institutions	3
62	Security And Commodity Brokers, Dealers, Exchanges, And Services	15
64	Insurance Agents, Brokers, And Service	10
65	Real Estate	13
70	Hotels, Rooming Houses, Camps, And Other Lodging Places	2
72	Personal Services	14
73	Business Services	37
75	Automotive Repair, Services, And Parking	6
76	Miscellaneous Repair Services	8
78	Motion Pictures	1
79	Amusement And Recreation Services	4
80	Health Services	71
81	Legal Services	17
82	Educational Services	7
83	Social Services	15
84	Museums, Art Galleries, And Botanical And Zoological Gardens	3
86	Membership Organizations	18
87	Engineering, Accounting, Research, Management, And Related Services	58
89	Miscellaneous Services	17
91	Executive, Legislative, And General Government, Except Finance	7
92	Justice, Public Order, And Safety	1
93	Public Finance, Taxation, And Monetary Policy	1
95	Administration Of Environmental Quality And Housing Programs	1
99	Nonclassifiable Establishments	27
	Unknown	26
	<b>TOTAL</b>	<b>684</b>

Sources: (1) Listing of Essex Businesses Conducted by InfoUSA in January, 2005; (2) Town of Essex Personal Property Database; Compiled by HMA, Incorporated in March 2005.

Table 18 on the following page shows the top ten specific categories by SIC major division in terms of number of establishments. This table shows the high number of physicians, attorneys, dentists and architects that comprise the service sector in Essex. Also evident are the number of restaurants,



Town of Essex			
Top Ten Specific Categories Per SIC Division			
SIC Major Division	# of Businesses	SIC Major Division	# of Businesses
<b>Division A: Agriculture, Forestry, and Fishing</b>		<b>Division E: Transportation, Communications, Electric, Gas, &amp; Sanitary Services</b>	
Landscape Contractors	9	Marinas	6
Landscape Designers	3	Post Offices	3
Veterinarians	2	Tours-Operators & Promoters	3
Greenhouses	1	Communications	2
Lawn & Grounds Maintenance	1	Towing-Marine	2
Pet Boarding & Sitting	1	16 Categories Tied	1
Tree Service	1	<b>Division F: Wholesale Trade</b>	
<b>Division C: Construction</b>		Oils-Fuel (Wholesale)	5
Construction Companies	10	Scrap Metals & Iron (Wholesale)	3
Building Contractors	9	Ship Brokers	3
Remodeling & Repairing Bldg Contractors	5	Heating Equipment & Systems (Wholesale)	2
General Contractors	4	Importers	2
Heating Contractors	3	22 Categories Tied	1
Masonry Contractors	3	<b>Division G: Retail Trade</b>	
Painters	3	Restaurants	15
Plumbing Contractors	3	Antiques-Dealers	10
4 Categories Tied	2	Gift Shops	7
10 Categories Tied	1	Miscellaneous Retail Stores Nec	5
<b>Division D: Manufacturing</b>		3 Categories Tied	4
Manufacturers	7	7 Categories Tied	3
Electronic Equipment & Supplies-Mfrs	2	8 Categories Tied	2
Machine Shops	2	43 Categories Tied	1
Publishers	2		
16 Categories Tied	1		
		<b>Division H: Finance, Insurance, and Real Estate</b>	
		Financial Advisory Services	7
		Insurance	7
		Real Estate	7
		Banks	6
		Financial Planning Consultants	4
		3 Categories Tied	2
		13 Categories Tied	1
		<b>Division I: Services</b>	
		Physicians & Surgeons	36
		Attorneys	17
		Services Nec	13
		Dentists	12
		Architects	11
		Business Management Consultants	9
		Churches	7
		Graphic Designers	6
		Interior Decorators Design & Consultants	6
		Beauty Salons	5
		<b>Division J: Public Administration</b>	
		Nonclassified Establishments	27
		Government Offices-City, Village & Twp	6
		City Government-Executive Offices	1
		City Government-Finance & Taxation	1
		City Government-Urban Planning & Dev	1
		Fire Departments	1

Sources: (1) Listing of Essex Businesses Conducted by InfoUSA in January, 2005; (2) Town of Essex Personal Property Database; Compiled by HMA, Incorporated in March 2005.

antique dealers and construction companies. Additional business inventory data is included as part of the Appendix.

### **Business Inventory by Location and Identification of Clusters**

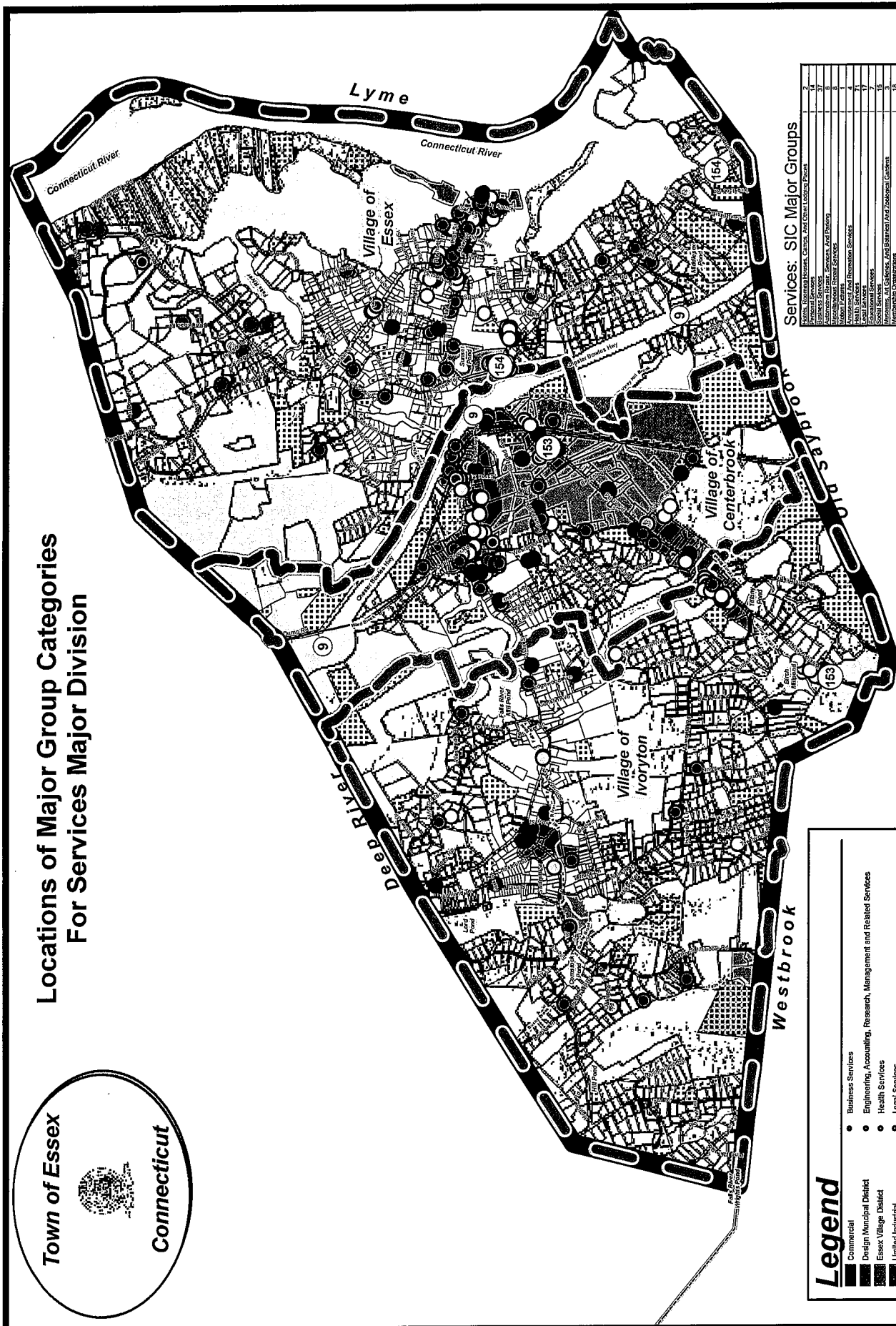
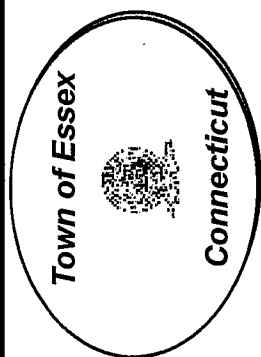
The maps that follow this page illustrate the results of the geocoding process for four SIC major divisions: Services; Retail Trade; Finance, Insurance and Real Estate; and Manufacturing. For each map, the subject major division has been broken down into its major groups for the purposes of pinpointing the location of specific businesses. This mapping process allows for a visual analysis of the location of business types in Essex and the identification of geographic clustering of specific business sectors.

From these maps, several industry clusters are readily apparent. These include:

- Health Services along Route 153, near Deep River Road in Centerbrook, and along Route 154 south of Essex Village
- General services in Essex Village and the center of Centerbrook
- Retail in Essex Village, the center of Centerbrook, and in the Route 153/Bokum Road area
- Finance, Insurance and Real Estate firms in Essex Village, the center of Centerbrook near Westbrook Road, and along Route 153.

The existence of these industry clusters provides a framework for guiding future land use and development opportunities. The identification of industry clusters can serve as a means of marketing a specific area of town for particular types of economic development. For example, identifying the area along Route 153 near the Middlesex medical facility as a health services cluster can help market that area to other potential health services tenants who may already have business connections with either Middlesex Medical or other health services firms along Route 153. Recruiting similar type businesses can become easier when an area has already been identified and established as an area that is geared toward that particular business type.

# Locations of Major Group Categories For Services Major Division

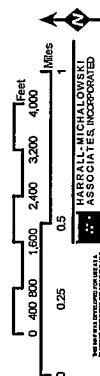


### Legend

- Commercial
- Design Municipal District
- Essex Village District
- United Industrial
- Municipal and Industrial District
- Village Residence District
- Villagefront Business District
- Vacant Land
- Wetland Soils
- Business Services
- Engineering, Accounting, Research, Management and Related Services
- Health Services
- Legal Services
- Membership Organizations
- Personal Services
- Social Services
- Other Services

## Services: SIC Major Groups

Food, Beverage, and Other Eating Places	2
Accommodations	37
Business Services	8
Engineering, Accounting, Research, Management and Related Services	1
Health Services	8
Legal Services	1
Membership Organizations	1
Personal Services	1
Social Services	1
Other Services	1
Manufacturing, All Other	3
Transportation, Communications, and Other Services	4
Government	9
Education	13
Arts, Entertainment, Recreation, and Other Services	18



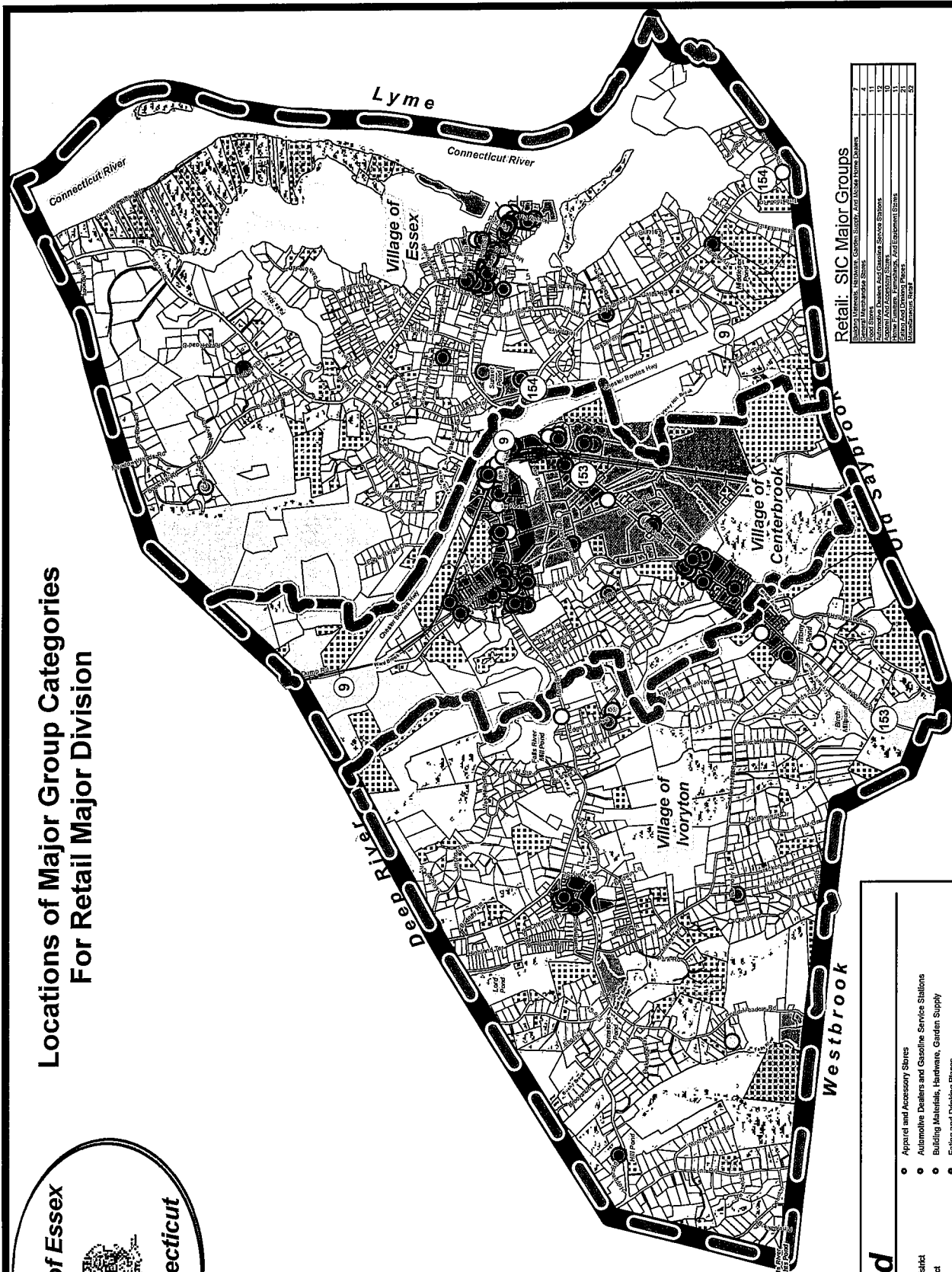
Map by  
HARRALL-MICHALOWSKI  
ASSOCIATES, INCORPORATED  
1987

Town of Essex



Connecticut

# Locations of Major Group Categories For Retail Major Division

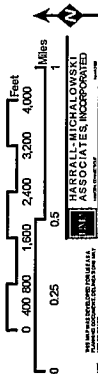


## Legend

- Commercial
- Design Municipal District
- Essex Village District
- General Industrial
- Municipal and Industrial District
- Village Residence District
- Waterfront Business District
- Vacant Land
- Welland Soils
- Apparel and Accessory Stores
- Automotive Dealers and Gasoline Service Stations
- Building Materials, Hardware, Garden Supply
- Eating and Drinking Places
- Food Stores
- General Merchandise Stores
- Home Furniture, Furnishings, and Equipment Stores
- Miscellaneous Retail

## Retail: SIC Major Groups

Food Stores	54
General Merchandise Stores	53
Automotive Dealers and Gasoline Service Stations	55
Building Materials, Hardware, and Garden Supply	52
Eating and Drinking Places	58
Apparel and Accessory Stores	56
Home Furniture, Furnishings, and Equipment Stores	57
Automotive Repairs and Maintenance	60
Gasoline Stations	61
Other Retail	59



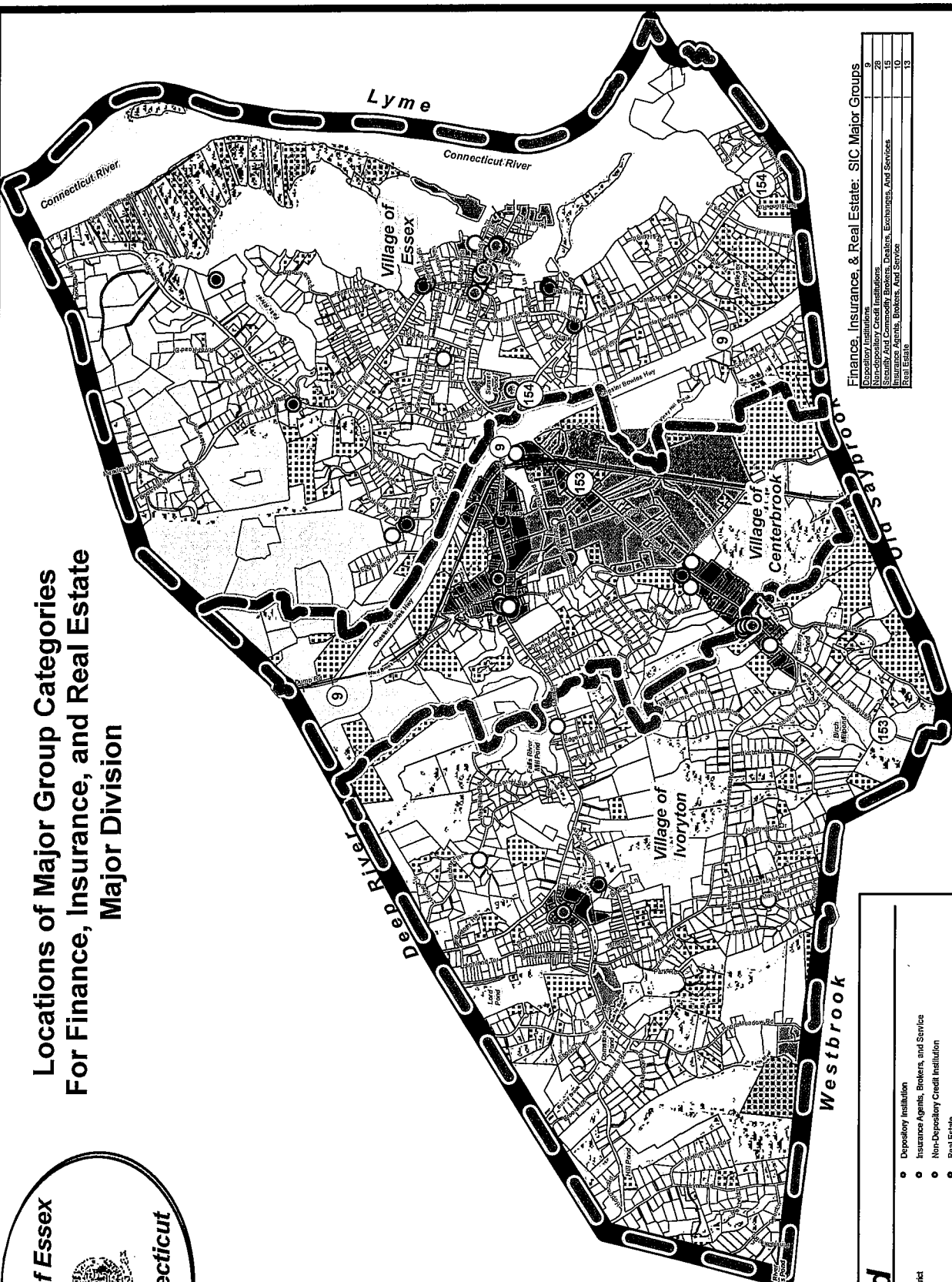
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1000 WEST 10TH AVENUE  
DENVER, COLORADO 80202

Town of Essex



Connecticut

# Locations of Major Group Categories For Finance, Insurance, and Real Estate Major Division

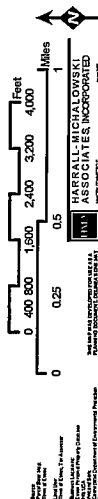


## Legend

- Commercial
- Design Municipal District
- Essex Village District
- United Industrial
- Municipal and Industrial District
- Village Residence District
- Waterfront Business District
- Vacant Land
- Wetland Soils
- Depository Institution
- Insurance Agents, Brokers, and Service
- Non-Depository Credit Institution
- Real Estate
- Security and Commodity Brokers, Dealers, Exchanges

Finance, Insurance, & Real Estate: SIC Major Groups

Depository Institutions	9
Non-Depository Credit Institutions	28
Security And Commodity Brokers, Dealers, Exchanges, And Services	15
Insurance Agents, Brokers, And Service	10
Real Estate	25

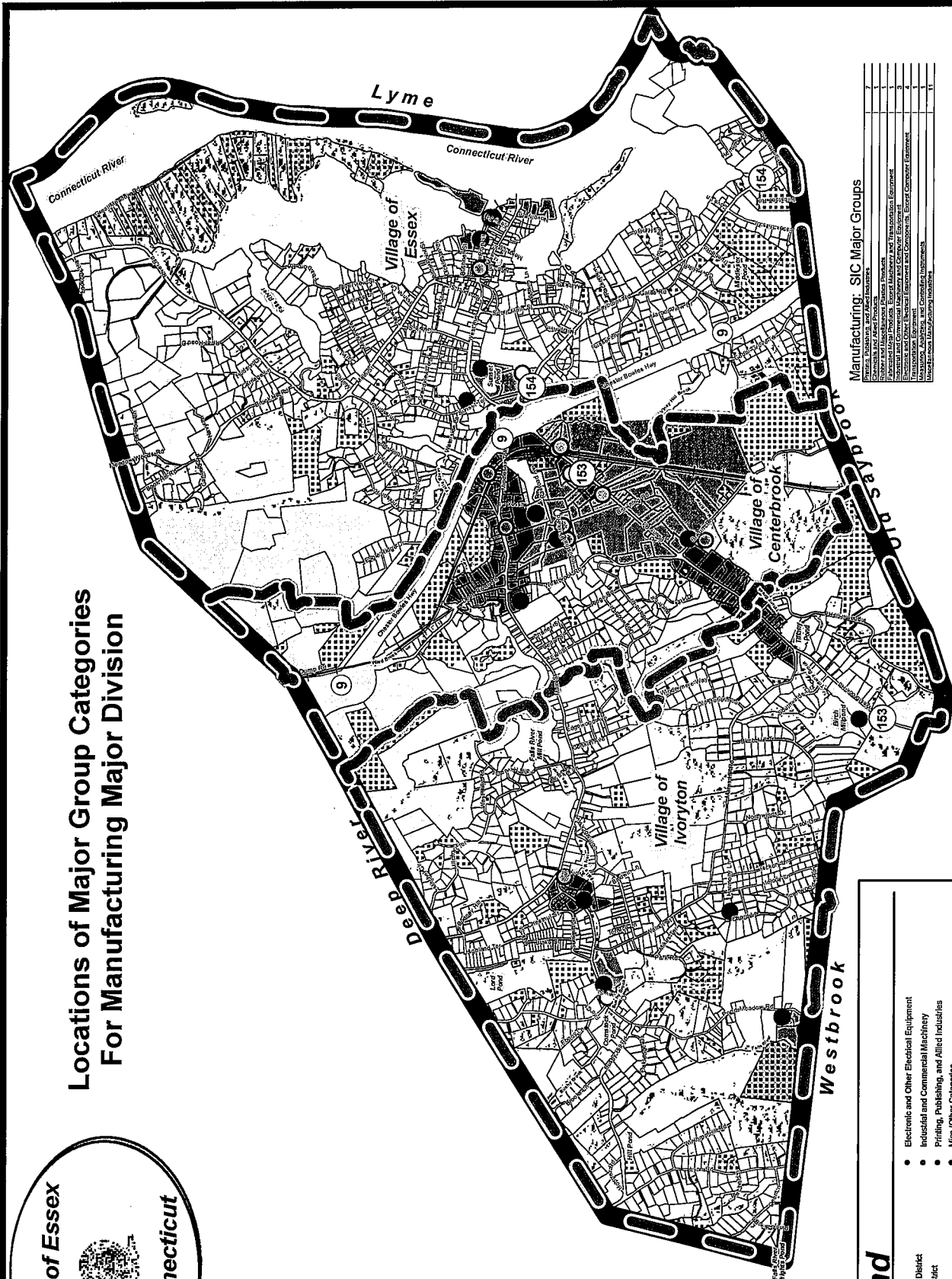


Town of Essex



Connecticut

# Locations of Major Group Categories For Manufacturing Major Division

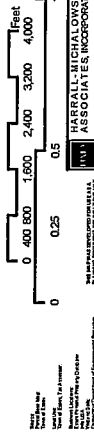


## Legend

- Commercial
- Design Municipal District
- Essex Village District
- Limited Industrial
- Municipal and Industrial District
- Village Residence District
- Waterfront Business District
- Vacant Land
- Wetland Soils
- Electronic and Other Electrical Equipment
- Industrial and Commercial Machinery
- Printing, Publishing, and Allied Industries
- Misc./Other Categories

## Manufacturing: SIC Major Groups

2000-2999 Nonferrous Metal Industries	2
3000-3299 Textile Mill Industries	1
3300-3599 Lumber and Wood Products	1
3600-3999 Chemical and Allied Products	1
4000-4299 Food and Kindred Products	1
4300-4999 Textile, Apparel, and Leather Industries	1
5000-5999 Stone, Clay, and Glass Products	1
6000-6999 Primary Metal Industries	1
7000-7999 Chemical and Allied Products	1
8000-8999 Nonferrous Metal Industries	1
9000-9999 Ferrous Metal Industries	1



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## V. OPPORTUNITIES AND CONSTRAINTS

The Town of Essex has several different strengths upon which it can capitalize to stimulate further economic development. At the same time, there are some notable constraints which limit the type and amount of economic development potential in the community. These opportunities and constraints are highlighted in the discussion below.

### Opportunities/Strengths

As a quaint New England town, Essex has established a very positive reputation for itself among both tourists and the regional population. Already known for its arts, handicrafts and high-end niche retail sectors, Essex is in a position to continue to promote growth within these areas. Because people visit the Town and its shops at present for these specific goods, any additional development within these market sectors will capture a clientele that is already coming to town in search of related goods and services. The Town should continue to cement its reputation as an arts and specialty retail center.

As mentioned above, a large part of Essex's reputation is tied to its unique character. The Town's location has helped to keep this character intact by being buffered from the I-95/Route 1 corridor and its associated development patterns. Big-box retail and outlet retail has not occurred in Essex as it has in the towns of Clinton and Westbrook. Despite this limited access to the I-95/Route 1 corridor, businesses in Essex still enjoy excellent access by way of Route 9 and other state routes that connect to the larger transportation network. While avoiding the forms of development that could be potentially detrimental to the Town's character, Essex has retained good transportation access for its business community.

Finally, Essex has an excellent mix of commercial and industrial business types, particularly for a town of its size. With professional services (doctors, attorneys, architects), business services, the building trades, and specialty retail all having substantial representation in the business mix, the Town has a balanced economy that can provide a variety of goods and services to everyday customers as well as tourists. The variety of businesses helps make Essex more than a destination

for one or two types of goods or services, and promotes multiple return visits to the Town as the shopping and service needs of customers change over time.

### **Constraints/Weaknesses**

Form an economic development standpoint, perhaps the most critical constraint for the Town of Essex is lack of available land for development. Although the Town projects a rural, small-town image, Essex is surprisingly "land poor" when it comes to tracts available for economic growth. The vast majority of the Town is committed to use for residential development at a low-density scale except for small areas such as the aforementioned Development Areas. Large, vacant pieces of land generally are isolated from existing commercial and/or industrial development, in close proximity to established residential development, have extensive wetlands, or have a combination of these three constraints. Finding new areas to extend commercial or industrial opportunities is significantly limited due to these development realities.

Essex Village, although it is the heart of the Town and the center of its most intense development, has significant infrastructure issues that prevent the expansion of certain types of development that would be complimentary and in character with the village center. The sewer capacity in Essex Village is at its limit, and thus adding a use such as a restaurant that requires substantial sewer capacity would overwhelm the waste management system. This is unfortunate since additional restaurants would fit in well with the character of Essex Village and would help draw more customers in to patronize existing businesses. The Town has a sewer avoidance policy that essentially limits expanding sewer capacity as a means of controlling development.

The current Town zoning regulations are also a hindrance to economic development. In particular, a combination of lot coverage restrictions and parcels that are split between two zones contribute significantly to limiting development in Essex's established commercial and industrial areas. Zone boundaries in Essex are not necessarily tied to property boundary lines. In several cases, the boundary line of a zoning district is set back a certain number of feet from the centerline of a street (500 feet, for example). As a result, lots that are sufficiently deep are often split between multiple zones. An analysis of the zoning map through the Town's GIS data reveals that there are approximately 170 such parcels. Section 40L of the Essex Zoning Regulations states that "where



portions of any lot are in different districts, the provisions of that district which prescribe the smallest percentage for maximum building coverage shall govern the entire lot.”<sup>2</sup> This condition is not particularly significant when a lot is split by two residential zones or by two non-residential zones. However, when a lot is split between a residential zone and a non-residential zone, such as Rural Residential and Commercial, there can often be a significant reduction in the maximum building coverage allowed. The result of this zoning condition is that these properties are significantly hampered in their ability to generate economic development, even if they are already used for commercial or industrial purposes. The restriction on economic development in Essex caused by this zoning regulation will be discussed further in a later section.

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<sup>2</sup> Town of Essex, “Zoning Regulations” (Essex, CT: 10/15/04), p. 18.

## VI. ZONING REGULATIONS

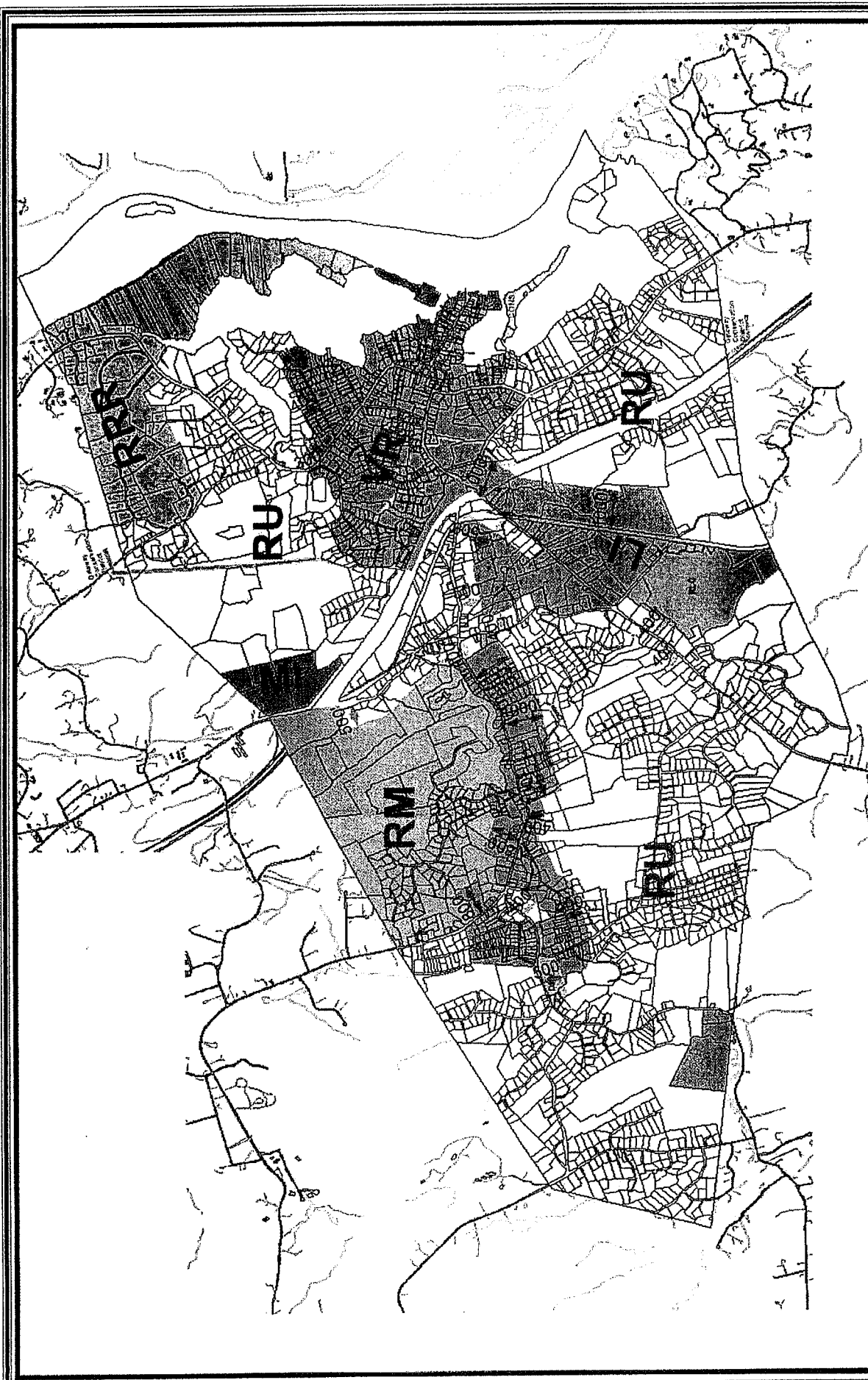
The Town of Essex is overwhelmingly zoned for residential use. Roughly 86.5% of the properties in Essex with a zoning designation are some form of residential, and the properties zoned for residential use account for 5,064 acres or 81.2% of the Town's total area. As a result, finding locations for new or expanded economic development activity without altering the character of the Town significantly is a challenge. Because of the widespread residential zoning, expanding any existing area of commercial or industrial development would likely involve encroaching upon residential development. The map on the following page illustrates the current zoning in Essex.


Expanding existing areas of non-residential development is a task that also faces other hurdles. First, although Essex projects a rural and pastoral image, the reality is that most of the land in the Town is occupied by some type of land use. As much of the land is already committed to residential use, the options for expanding commercial and industrial development are limited. Second, the remaining vacant or underutilized lots in Essex where non-residential development could potentially occur generally have at least some limitation on their development potential. Some of the lots are isolated from other areas of non-residential development and/or surrounded by residentially-zoned land, and therefore from a land use planning perspective making their use for non-residential development illogical. Many developable lots are located in close proximity to existing residential neighborhoods; intensification of use on these lots could lead to significant land use conflicts with surrounding parcels. Finally, an extensive network of streams, brooks and wetland areas permeates the entire Town as an offshoot of the Connecticut River. The result is that many parcels have significant environmental limitations on their development potential. In the case of many properties that could have development potential, a combination of these factors exists.

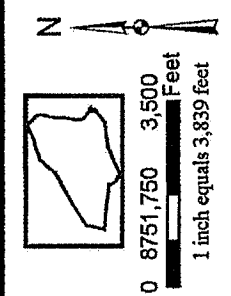
The zoning regulations in the Town of Essex as they are currently written also place a significant damper on the development potential of certain non-residential parcels. As mentioned previously, Section 40L of the Essex Zoning Regulations states that "where portions of any lot are in different districts, the provisions of that district which prescribe the smallest percentage for maximum building coverage shall govern the entire lot."<sup>3</sup> This clause in the zoning regulations has the effect

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<sup>3</sup> Town of Essex, "Zoning Regulations" (Essex, CT: 10/15/04), p. 18.





**Town of Essex**  
 Office of The Assessor  
 Tax Parcel Map



**Legend**  
 — Large Building  
 — Streams

This map was prepared for the inventory of real property within the Town of Essex. Users of this tax map are hereby notified that the public primary information sources, including record deeds and plats, should be consulted for the verification of the information contained on this map. The Town of Essex and its mapping contractors assume no legal responsibility for the information contained herein.  
 Base-map building and pavement features were compiled from a 1"-200' scale 2001 base-map provided through a licensing agreement with SBC/SNET.  
 Updated: January, 2004

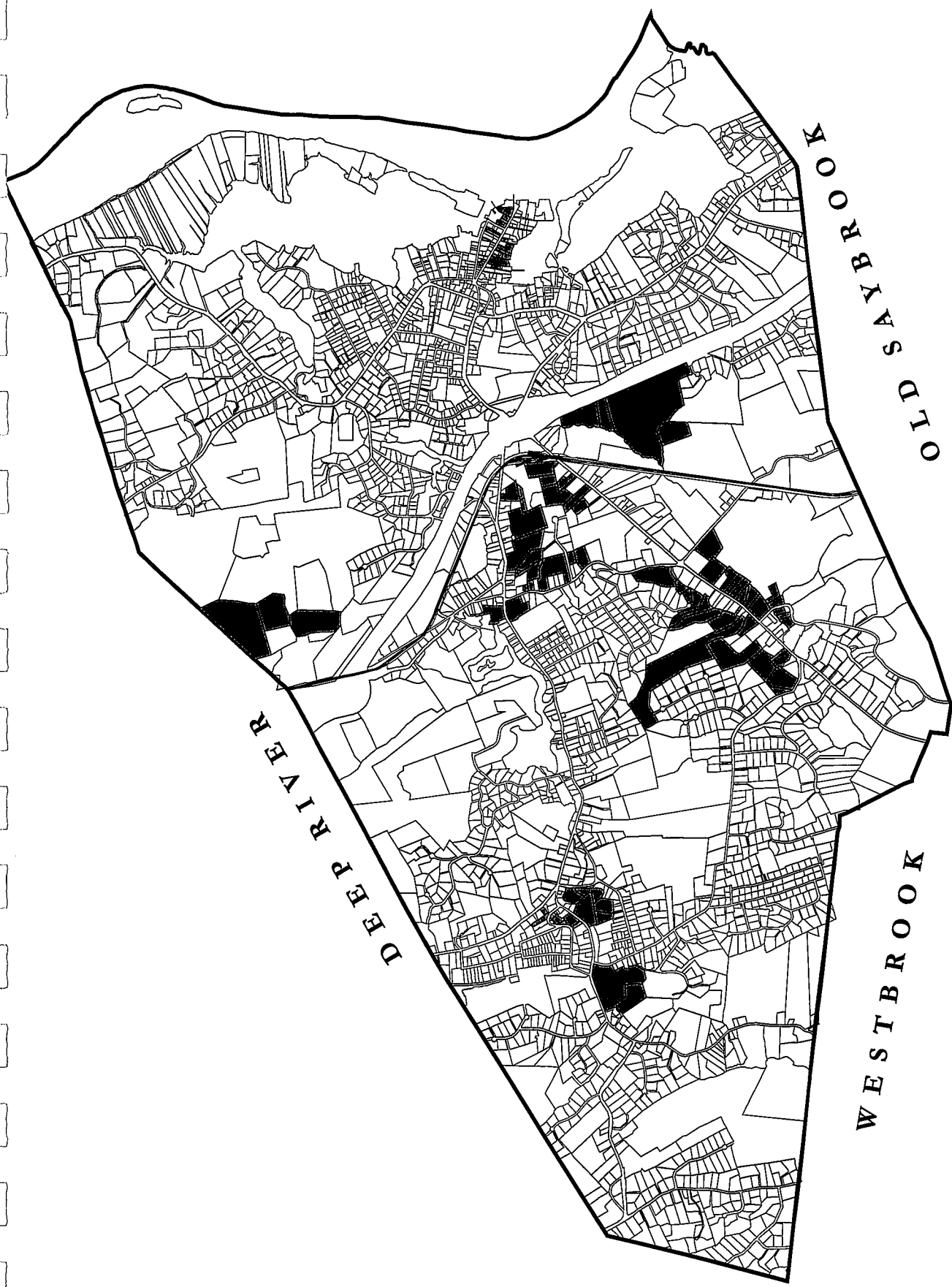
For Tax Purposes Only  
 Not to be used for conveyance  
 Prepared by:  

**Applied Geographics, Inc.**  
*Improving People and Places*

of limiting non-residential development on particular lots by as much as 70% compared to the level of development that they could have achieved were they not split by a residential zone. This clause has a particular impact along the Route 153 corridor and in the area around the existing industrial park. The properties within this area are primarily committed to non-residential use, yet they are compelled to develop in a manner consistent with low-density residential development. However, while this zoning clause has been a significant factor in limiting economic development in Essex, changing it slightly is perhaps the most effective and logical means of creating more economic development opportunity in the Town. At the same time, increased economic development can be realized without altering the character of Essex since development activity would be contained to areas already zoned and used for non-residential purposes.

As mentioned previously, there are at present 169 parcels in Essex that are split by multiple zoning designations. Of these 169 parcels, four are rights-of-way and 79 are split by two different residential zones, and thus are not of particular interest in this analysis. The remaining 86 parcels are either split by two non-residential zones or by a residential and a non-residential zone. Table 19 below breaks down these parcels by the zones which split them. The map that follows this page graphically illustrates the location of these parcels.

**Table 19**

<b>Zones</b>	<b># of Parcels</b>	<b>Area (Sq. Ft.)</b>	<b>Area (acres)</b>
C & RU	22	4,233,081	97.2
C & VR	15	1,109,389	25.5
LI & C	12	2,045,425	47.0
EV & VR	11	288,572	6.6
C & RLC	8	1,050,904	24.1
LI & RU	7	3,528,858	81.0
EV & WF	5	116,320	2.7
MI & RU	3	2,174,051	49.9
DMID & RU	1	256,557	5.9
DMID & VR	1	736,457	16.9
LI & C & RU	1	135,126	3.1



SOURCE:  
Parcel Base Map  
Town of Essex

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BE EXACT.



### SPLIT ZONE PARCELS

■ Non-Residential Split Zone Parcel

### Commercial/Industrial Properties Split by Residential Zones

Essex, CT - Economic Development Strategy

 HARRALL-MICHALOWSKI  
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Hamden, Connecticut June 2005



<b>TOTAL</b>	<b>86</b>	<b>15,674,740</b>	<b>359.8 acres</b>
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Table 20 below lists the maximum building coverage percentage for each zone that is involved in a split-zone parcel situation.

**Table 20**

<b>Zone</b>	<b>Building Coverage %</b>
C	15%
LI	25%
MI	25%
EV	25%
WF	25%
DMID	25%
VR	7.5%
RU	7.5%
RLC	10%

Under Section 40L, in a split zone situation, the smallest of the multiple building coverage percentages is the percentage that prevails. Thus, a parcel that is split by a Light Industrial (LI) zone and a Rural Residential (RU) zone has a maximum building coverage percentage of 7.5%, even though the LI zone would normally allow for a coverage of 25%. This clause holds for all split parcels, regardless of the percentage of the parcel that is in each zone. Even if almost all of a parcel is in an LI zone, if a small piece falls into an RU zone, the RU zone building coverage is applied. Table 21 summarizes the maximum allowed building coverage area permitted under the existing zoning regulations for the identified split-zone parcels.

**Table 21**

<b>Zones</b>	<b>Allowed Building Coverage %</b>	<b>Area (Sq. Ft.)</b>	<b>Maximum Coverage Area (Sq. Ft.)</b>
C & RU	7.5%	4,233,081	317,481
C & VR	7.5%	1,109,389	83,204

LI & C	15%	2,045,425	306,814
EV & VR	7.5%	288,572	21,643
C & RLC	10%	1,050,904	105,090
LI & RU	7.5%	3,528,858	264,664
EV & WF	25%	116,320	29,080
MI & RU	7.5%	2,174,051	163,054
DMID & RU	7.5%	256,557	19,242
DMID & VR	7.5%	736,457	55,234
LI & C & RU	7.5%	135,126	10,134
<b>TOTAL</b>		<b>15,674,740</b>	<b>1,375,640 (8.78%)</b>

If one were to amend the zoning regulations to allow the largest of the building coverage to prevail in a split-zone situation, the amount of permitted building coverage area would be significantly greater. Table 22 displays the potential building coverage area that could be permitted if the zoning regulations were amended in this way.

**Table 22**

<b>Zones</b>	<b>Potential Building Coverage %</b>	<b>Area (Sq. Ft.)</b>	<b>Maximum Coverage Area (Sq. Ft.)</b>
C & RU	15%	4,233,081	634,962
C & VR	15%	1,109,389	166,408
LI & C	25%	2,045,425	511,356
EV & VR	25%	288,572	72,143
C & RLC	15%	1,050,904	157,636
LI & RU	25%	3,528,858	882,215
EV & WF	25%	116,320	29,080
MI & RU	25%	2,174,051	543,513
DMID & RU	25%	256,557	64,139
DMID & VR	25%	736,457	184,114
LI & C & RU	25%	135,126	33,782
<b>TOTAL</b>		<b>15,674,740</b>	<b>3,279,348 (20.92%)</b>

The maximum coverage area of 3,279,348 square feet represents an increase of 1,903,708 square feet or 138.4% over the current allowed maximum building coverage area. Table 23 below illustrates the increases in permitted building coverage area by split zone category that potentially could occur by amending the zoning regulations.

**Table 23**

<b>Zones</b>	<b>Potential Building Coverage Area (Sq. Ft.)</b>	<b>Allowed Building Coverage Area (Sq. Ft.)</b>	<b>Difference (Sq. Ft.)</b>
C & RU	634,962	317,481	317,481
C & VR	166,408	83,204	83,204
LI & C	511,356	306,814	204,542
EV & VR	72,143	21,643	50,500
C & RLC	157,636	105,090	52,546
LI & RU	882,215	264,664	617,551
EV & WF	29,080	29,080	0
MI & RU	543,513	163,054	380,459
DMID & RU	64,139	19,242	44,897
DMID & VR	184,114	55,234	128,880
LI & C & RU	33,782	10,134	23,648
<b>TOTAL</b>	<b>3,279,348</b>	<b>1,375,640</b>	<b>1,903,708</b>

It should be noted that these calculations have been completed at a very broad level. They do not take into account site development limitations such as wetlands and watercourses, steep slopes and other environmental factors, nor do they factor in parking requirements, issues of site access or other zoning considerations. These issues would need to be considered on a parcel by parcel basis, which is beyond the scope of this analysis. With that caveat in mind, one should recognize that by amending the method of how building coverage percentages are applied in situations of split-zone parcels, a significant amount of potential development area can be generated without the need for expanding existing non-residential zone boundaries. This is particularly advantageous for encouraging the expansion of existing businesses as well as creating greater development density on parcels that

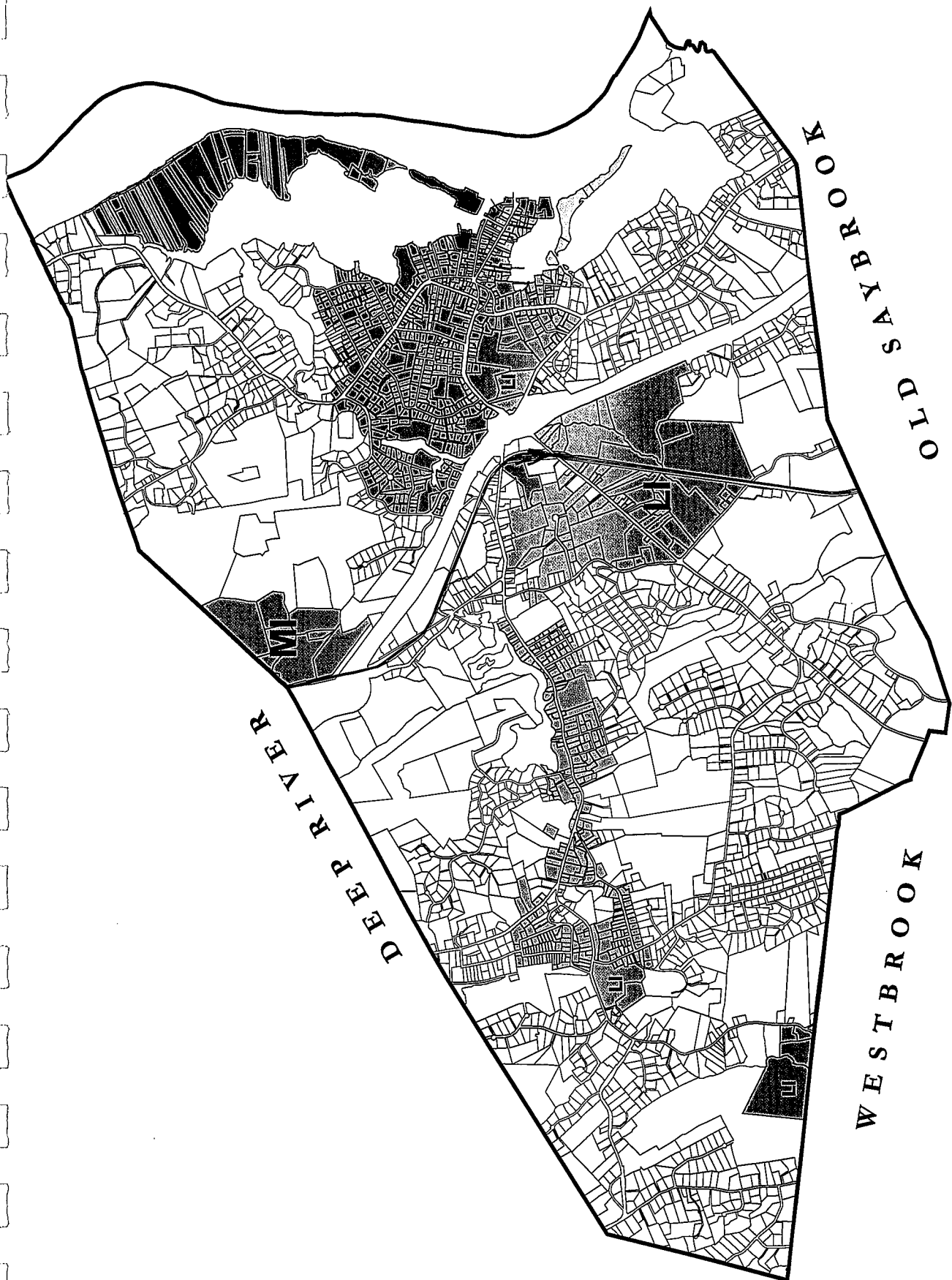


already serve as the non-residential tax base of the Town and have infrastructure in place to handle non-residential development.

It is recommended that the Town amend its zoning map to bring it more into line with present land use. To accomplish this, parcels that are currently used for non-residential purposes but are split by multiple zones should be rezoned with a single zone designation. The zone designation chosen for each parcel should reflect the land use of the general area around the parcel and should have a logical nexus with the zone designations around it. In doing so, the Town will simplify its zoning map as well as limit the complexity involved in addressing split-zone situations. In addition, the zoning map will be better linked to the actual land use of property in Essex. The map on the following page illustrates the zoning map with amendments as proposed above.

In addition to amending the zoning map, there are several other zoning techniques that the Town can utilize to enhance the value of economic development in Essex. The implementation of special overlay design districts for the non-residential areas of Essex could be used to mandate a higher level of physical design to ensure that economic development does not occur at the cost of the Town's character. The character of Essex's built environment is one of the keys means through which the Town can market itself, generate tax revenue, and retain and attract businesses. Eroding this character in an attempt to generate more economic development with inappropriate design could ultimately be counterproductive, if Essex lost some of what makes it unique from other towns. Implementing design districts in Centerbrook, Ivoryton, Essex Village and the Route 153/Bokum Road area would ensure that proper attention is paid to the built environment of these development areas so that while new development is encourage it is appropriate for the surrounding area.

In conjunction with design districts, the creation of an architectural design review board to oversee the administration of design guidelines in Essex would be a useful tool to ensure that development occurs that is complimentary to the Town's character. The architectural review board could help the Town avoid development patterns that are both overly uniform in nature and overly incongruous with the Town's historic built environment and development style, and could promote development whose architectural scheme is harmonious with specific areas of Essex as well as the Town as a whole. By doing so, the board would promote good architectural design that in turn would help



SOURCE:  
Parcel Base Map  
Town of Essex

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**ZONING LEGEND**

	C		LI		Multi Zone - Non Residential
	CONS		MI		Residential
	DMID		EV		VR
	HG-1		WF		

**Proposed Amended Zoning**

Essex, CT - Economic Development Strategy

**HARRALL-MICHALOWSKI  
ASSOCIATES, Incorporated**  
Hamden, Connecticut  
June 2005

maintain property values and tax revenues for Essex. Sound and aesthetically pleasing development not only keeps property values high and maintains the Town's character, it also attracts more high-quality development to come to Essex, exactly the type of development which the Town seeks.

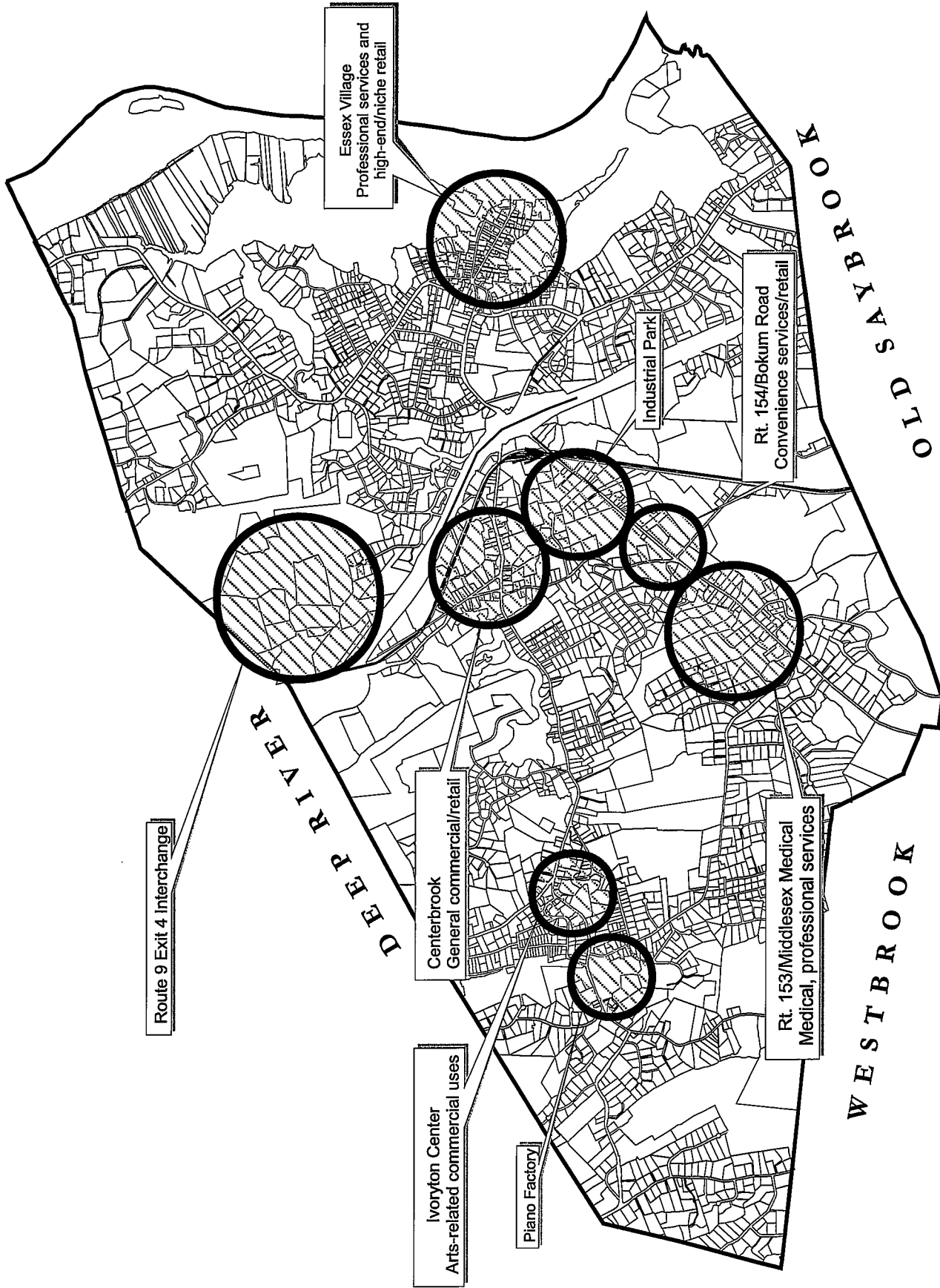
## VII. DEVELOPMENT AREAS AND PROJECTED LAND USES

The areas designated for continued or expanded economic development activity are delineated as follows and as represented on the map following this page. Each of these distinct areas will be discussed in detail in their own section.

1. Essex Village
2. Centerbrook
3. Ivoryton Center
4. Industrial Park
5. Route 153/Bokum Road Area
6. Route 153/Middlesex Medical Area
7. Route 9 - Exit 4 Interchange

### 1. Essex Village

Essex Village contains a varied mix of professional offices, specialty retail, financial institutions and tourist-oriented businesses. The village center has long been established as such, and should continue to market itself as a compact, walkable village that offers a variety of niche products and services. One of the constraints on intensification of development within the village center is the lack of sewer capacity. At present, only one restaurant exists within the village and it is likely that there is additional untapped demand for more restaurants, taverns, coffeeshops and bistros. However, an upgrade in sewer capacity would be needed to accommodate additional development of this type. Development of other commercial establishments such as retail and offices that put less of a strain upon the existing infrastructure are likely more desirable in light of the substantial cost associated with upgrading the sewer system.



SOURCE:  
Parcel Base Map  
Town of Essex

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BE EXACT.

0 0.5 1 Miles



Development Area

## Development Areas

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Hamden, Connecticut June 2005

## **2. Centerbrook**

Along with Essex Village, the area along Route 154 between Westbrook Road and Route 9 in Centerbrook is the most densely developed commercial area in Essex; roughly 15%-20% of the businesses in Essex are located in this area. The mix of businesses cuts across a wide spectrum of industry sectors, including architectural firms, landscape contractors, plastics manufacturing, restaurants, retail, antique shops, real estate offices, and medical and dental practices. Centerbrook serves as the service and convenience retail center of Essex, and it is likely best served by continuing to attract similar uses in the future. Additional professional office space and an emphasis on mixed used development combining multiple commercial uses or commercial uses with residential dwelling units should be priorities for this area. Residential units would provide an enhanced customer base for retail and service uses in the area, as well as support development of additional businesses. Good architectural design and site planning are particularly important for this area, in order to ensure that convenience retail establishments blend well with the Town's built environment.

## **3. Ivoryton Center**

Ivoryton Center is currently an area with limited commercial uses, but has the potential to be an emerging area of arts-related and niche retail economic development. The greatest challenge in creating economic development opportunities in Ivoryton is its location separate from the rest of the Town. In order to generate more activity in Ivoryton, the center area needs to become a specific destination for visitors. While this objective is already fulfilled somewhat by the Ivoryton Playhouse, additional destination uses are needed to create a critical mass of uses that attract people from the surrounding region. One possible site for creating a destination use of a fairly large scale is the former Piano Factory located along Main Street to the west of Ivoryton Center.

The center of Ivoryton is home to the Ivoryton Library, the Ivoryton Post Office, the Ivoryton Playhouse and a fire station. Further north along North Main Street is the Museum of Fife and Drum. The businesses in the immediate area include two restaurants and a tavern, a gift shop, a veterinarian, an automotive service station, two photographers or photographic studios, a boarding house, a recording studio, a paging and answering service, and an oil and fuel delivery business. Two manufacturers producing light fixtures and thermometers are also located in the central area of

Ivoryton. Future uses compatible with the development character of Ivoryton Center include small professional offices; art and graphic design businesses; gallery space for displaying art; the production of glass, pottery and metal products for retail sale; and gift, novelty and souvenir shops.

#### **4. Industrial Park**

The Essex Industrial Park contains an array of commercial and industrial uses, including cabinetmakers, heating and plumbing contractors, musical instrument manufacturing, wholesale safety equipment distribution, engineering consultants and business management consultants. The variety of firms makes the development more of a business park than an industrial park per se. Future uses in the Industrial Park should continue to be a mix of commercial and industrial, and the Town should begin to utilize the park as the preferred location for uses that are new or unique to Essex. These uses could include types of manufacturing not presently represented in the Town, transportation-related industries and potentially heavier industries as well. Since the Industrial Park is an area of Town dedicated to economic development purposes, it is somewhat insulated from residential uses, making it the best location for commercial and industrial uses that may pose land use conflicts with Essex's predominantly residential character.

#### **5. Route 153/Bokum Road Area**

Similar to Centerbrook, area around the intersection of Route 153 and Bokum Road has general retail and service uses. The area is also sprinkled with specialized light industrial and wholesale trade establishments mixed into the commercial development. Service and retail uses include banks, grocery and convenience stores, restaurants, dry cleaners, liquor stores and antique dealers. The specialized industrial uses include wholesale concrete products, pneumatic tools and furnace parts distributors, laboratory equipment and supplies manufacturing, and underwater construction contractors. Additional light industrial and wholesale uses should be considered for this area, particularly in the area of Route 153 approaching the Industrial Park area. The general retail and service use of the Bokum Road area should be maintained; however, a strong emphasis should be placed on demanding good form and design of any infill development or expansion of existing uses.

## **6. Route 153/Middlesex Medical Area**

The portion of Essex along Route 153 stretching from the Shoreline Medical Center – Middlesex Hospital facility to the intersection with Ingham Hill Road contains a high concentration of medical-related professional offices mixed in with some financial services firms and small commercial establishments. This area is the logical location for additional medical-related uses such as medical and dental practices and diagnostic testing centers. The area should also be considered for some medical-related light industrial uses such as laboratory space that supports the Middlesex medical community, and possibly pharmaceutical operations. Marketing this stretch of Route 153 as a medical use cluster could attract businesses that provide substantial property tax revenue a relatively low impact on community services.

## **7. Route 9 – Exit 4 Interchange**

The area around the Exit 4 interchange of Route 9 is the site of a former rock quarry and the Town's only area designated as a Municipal and Industrial Service (MI) Zone. Possible future developments in this area include the construction of a commuter parking lot by the State of Connecticut Department of Transportation. The vacant land to the east of Route 9 has significant potential for development due to its proximity to the Connecticut Valley Industrial and Professional Park and a possible sewer connection. Directly abutting the town boundary with Deep River, the MI-zoned land could make an easy tie-in into the Deep River sewer system, thereby increasing both the marketability and the potential development options for the area. This would provide the Town with the opportunity to create a substantial development area with excellent access to state highway system. Although the terrain in the MI-zoned area is quite hilly, the use of pumps with the sewer line would enable the area to be developed at a higher density and would allow a greater variety of land uses and business types.



## VIII. FINANCING

A variety of different financing options and financial vehicles exist to help fund the economic development of Essex. These financial tools are available at both the regional and state government levels, as well as in the private financial sector. The following sections provide descriptions of several financial programs which could be used to further Essex's economic development goals. Additional information regarding these programs is included in the appendix of this report.

### State of Connecticut

#### Economic and Manufacturing Assistance Act (MAA)

The State's Economic and Manufacturing Assistance Act (MAA) provides for incentive-driven loans for projects that have strong economic development potential. The loans may be used for a variety of economic development purposes, such as planning (feasibility studies, engineering studies, market reports, property appraisals and the like), property acquisition, equipment acquisition, relocation expenses, site and infrastructure improvements, working capital and business support services (day care, labor training, recycling, etc.).

#### Connecticut Development Authority (CDA)

The Connecticut Development Authority (CDA) offers small business loans, grants and financing for brownfields and the expansion of information technology firms, as well as financial incentives for business relocation and expansion. CDA provides direct loans, guaranteed and participating loans, SBA 504 loans, equity equivalent investments and industrial revenue bonds, as well as grants and loans for information technology firms and Brownfield Assessment Grants (BAG). Participating firms must meet different criteria for each program.

#### Connecticut Innovations (CI)

Connecticut Innovations provides various funds and initiatives for high tech firms. Its primary investment fund is the Eli Whitney Fund, which focuses primarily on bioscience, information

technology, applied optics, energy and environmental systems. Funding generally ranges from \$500,000 to \$2 million, and is awarded to promising Connecticut companies in the early stages of development that meet specific criteria. Two other funding sources, the Connecticut BioSeed Fund and the BioScience Facilities Fund, provide a variety of financing options to biotech firms for seed capital and development of laboratory space. Other funds provide money for clean energy projects that benefit Connecticut ratepayers and for the testing of new technology. Connecticut Innovations' Next Generation Ventures, LLC, a collaborative effort with The Phoenix Companies, Inc., offers seed-stage venture capital for technology companies in the state.

#### *Business, Sales and Property Tax Credits and Exemptions*

There are a number of different means under the State Statutes of reducing business, sales and property taxes for firms through tax credits and tax exemptions. Sections 12-217a through 12-217ff of the Connecticut General Statutes provide dozens of different types of tax credits for businesses on their state corporate taxes, including tax credits for research and experimental expenditures, occupying new facilities and creating new jobs and investment in fixed capital. Under Section 12-412, certain elements of the manufacturing process, such as machinery and components of certain industries, are exempt from the State sales tax. Businesses can also receive abatements of real and personal property taxes under Section 12-81. The personal property tax on items such as machinery and equipment acquired for and used as part of a manufacturing process can be abatement for the first five years of ownership. There also exist municipal options for abating property taxes on certain business uses. A municipality has the option to abate taxes on information technology personal property and certain communications establishments. Finally, the Urban and Industrial Site Tax Credit program under Section 32-9t provides tax credits to businesses that remediate and redevelop industrial sites that were environmentally contaminated in the past. Each site must meet certain specific criteria to be eligible, and the tax credits are provided on a sliding scale over nine years based upon a percentage of the investment made, up to a maximum of 20% of the value of investments made.

## **Local and Regional Financing Programs**

### **Middlesex Chamber of Commerce**

The Revitalization Committee of the Middlesex Chamber of Commerce maintains a revolving loan fund that provides direct loans, participation loans and loan guarantees that are geared toward small and mid-sized businesses and industries. The short-term loans can be used for real estate acquisition, equipment acquisition, inventory acquisition, financing of receivables and enhancement of working capital. The loans can be up to \$50,000 for manufacturing and retail firms generally with a term of five years at an interest rate of 6% fixed.

### **Local Lending Institutions**

Local banks and credit institutions generally offer a variety of revolving lines of credit and direct lending programs. Programs differ from institution to institution. Liberty Bank, for example, provides term loans from two to ten years for capital investments such as the purchasing of equipment or machinery, as well as working capital lines of credit in both revolving and non-revolving formats. These credit lines create an "open" source of funding without the need for reapplying and going through the approval process every time new funds are needed. Citizens Bank also offers revolving lines of credit for small businesses as well as lump sum loans of up to \$250,000. Citizens Bank has an equity arm, Citizens Capital, Inc., that provides equity and mezzanine financing to mature businesses that are privately held. Citizens Capital generally supports firms in high growth industries and financing new products and business opportunities for firms that are leaders in their respective industries. Citizens also offers specialized industry services for those industry sectors that have non-traditional or complicated financial needs.

## **IX. RECOMMENDATIONS**

Based upon a review of existing documents germane to economic development in Essex, a comprehensive inventorying and analysis of the existing businesses in town, and an examination of pertinent zoning and land use issues as presented previously, the following recommendations are made as the cornerstone of Essex's Economic Development Action Strategy:

### **ACTION 1: Rezone split-zone parcels**

- a. Rezone parcels split by residential and non-residential zones as single non-residential zone.
- b. Rezone parcels split by two or more non-residential zones (i.e., Commercial-Light Industrial, Essex Village-Waterfront) as indicated by present land use.
- c. Allow parcels split by two or more residential zones to remain as is.

### **ACTION 2: Create Design Districts as zoning overlays for several areas of Essex**

- a. Draft and implement Design District zoning overlay districts for Essex Village, Centerbrook, and Ivoryton as generally illustrated in the Draft Plan of Conservation and Development.
- b. Add additional Design District along Route 153 in the Bokum Road area.

### **ACTION 3: Establish an Architectural Review Board**

- a. Support the creation by the Town of an Architectural Review Board as discussed in the Draft Plan of Conservation and Development.
- b. Advocate for design guidelines that encourage unique but aesthetically pleasing building design and site planning that preserves and enhances the Town's character without being overly restrictive on individual property owners and businesses.

### **ACTION 4: Creation of Ivoryton as a destination**

- a. Encourage the development of more arts-related businesses and cultural uses, particularly in the central area of the village.

**ACTION 5: Route 153/Middlesex area as medical cluster**

- a. Promote the area along Route 153 near the existing medical offices as a medical and medical-related business cluster.
- b. Explore possibilities for biomedical, biotech and medical support services as potential land uses in this area.

**ACTION 6: Continue to promote the Industrial Park through internal expansion and use as "incubator" space**

- a. Utilize zoning changes to promote expansion of existing businesses in and around the Industrial Park through greater lot coverage allowance.
- b. As opportunities arise, encourage the location of new types of business and industry into the Industrial Park. As businesses grow, assist them in expanding their facilities or finding new locations in Town that can accommodate them.

**ACTION 7: Develop the Route 9 – Exit 4 Interchange area into a more intensive commercial and/or industrial development location that capitalizes on excellent highway access**

- a. Work with the State of Connecticut Department of Transportation in planning for a new commuter parking facility to ensure that such development is in keeping with the Town's long-term vision for the area.
- b. Explore possible option of connecting to the Deep River sewer system via the Connecticut Valley Industrial and Professional Park north of the Exit 4 area.
- c. Work with property owners to develop a general master plan of development for the MI zone centered around light industrial, construction trades and related office space uses

**ACTION 8: Maintain Essex Village as a tourist destination, small professional office and niche retail center**

- a. Continue to identify and recruit niche businesses and tourist-oriented attractions to come to Essex Village
- b. Evaluate the long-term costs and benefits of wastewater management options in the Essex Village area.

- c. Work to link commercial and industrial activity in other parts of Essex with Essex Village. For example, a product made by an artist or craftsperson in Ivoryton or Centerbrook could be sold and/or showcased in Essex Village to alert shoppers and visitors to these other parts of Town.

**ACTION 9: Solidify Centerbrook and Route 153/Bokum Rd. areas as convenience retail and service use destinations**

- a. Work to centralize convenience retail and service uses in these two particular areas.
- b. Bolster the retail and service uses with small professional office and dwelling units in a mixed-use format to create a larger market for goods and services.
- c. Place a strong emphasis on good physical design and site planning through the implementation of Design Districts and design guidelines.

**ACTION 10: Help shepherd growing home occupation uses into full-scale businesses**

- a. Identify and informally contact home-based businesses to assess business needs and potential growth options.
- b. Encourage particularly strong businesses to relocate to non-residential areas as a full-fledged commercial enterprise.

**ACTION 11: Create an economic development package describing what the Town of Essex and the Economic Development Commission can offer to the business community**

- a. Develop a promotional brochure and information package to be used as part of marketing and business recruitment efforts that outlines the benefits of doing business in Essex, amenities offered and possible financial tools available.
- b. Maintain an on-going database of available commercial and industrial buildings and sites with up-to-date information such as rent or sales price, square footage, availability of utilities and listing agent.

**ACTION 12: Develop a unified marketing campaign**

- a. Work with a marketing consultant and/or the Middlesex County Chamber of Commerce to develop a small-scale marketing campaign to help the assets and attractions of Essex.

- b. Look to promote Essex to the larger region and the State as a whole through advertising and promotional events.
- c. Identify arts-related businesses and niche retail shops in places such as New Haven, Fairfield County, and Newport and Providence, RI to encourage them to look at Essex as a potential site for an additional outlet for their products.

**ACTION 13: Prepare and present a comprehensive economic development projects list to the State legislative delegation and the State administration**

- a. Town administration and the Economic Development Commission should work together to devise a comprehensive list of desired potential economic development projects.
- b. Develop each project idea more fully, including potential land uses, number of jobs expected to be created, tax revenue generated, and appropriate roles for both local and state governmental entities.
- c. Work with the Town's State legislative delegation (Rep. James Spallone, D-36; Sen. Eileen Daily, D-33) to present and advocate proposed economic development projects to appropriate State departments and entities (DECD, DOT, etc.).

## **X. ACTION STRATEGY PHASING PLAN AND TIMELINE**

The development of Essex's economic base must be viewed as a work in progress. Achieving large measures of success will not occur overnight; the Action Strategy should be used as a step-by-step process toward reaching the Town's ultimate goal of increasing the non-residential tax base. Several of the Action Strategy steps outlined in the previous section are achievable within the next two years. The bulk of the steps, however, will continue to be on-going economic development objectives for the Town of Essex for the foreseeable future. The initial steps of rezoning particular parcels, developing design guidelines and Design Districts and creating an architectural review board are relatively straightforward. Action steps that may take a longer period of time to come to fruition and are somewhat more complex include guiding the evolving development of the various commercial and industrial areas of the town, creating comprehensive and unified development strategies, marketing and promotional efforts, and steps that involve working with multiple local and State entities. The timeline on the following page graphically represents an estimated timeline for achieving the desired results of the Action Steps discussed previously.



# TOWN OF ESSEX ECONOMIC DEVELOPMENT

## ACTION STRATEGY TIMELINE

[illegible]

# APPENDIX

**Town of Essex**  
**Business Inventory Count by SIC Major Group Category**

March 2005

CODE	SIC MAJOR GROUP	BUSINESSES
1	Agricultural Production Crops	1
7	Agricultural Services	17
15	Building Construction General Contractors and Operative Builders	29
16	Heavy Construction Other Than Building Construction Contractors	2
17	Construction Special Trade Contractors	26
27	Printing, Publishing, and Allied Industries	7
28	Chemicals and Allied Products	1
30	Rubber and Miscellaneous Plastics Products	1
35	Industrial and Commercial Machinery and Computer Equipment	3
36	Electronic and Other Electrical Equipment and Components, Except Computer Equipment	4
37	Transportation Equipment	1
38	Measuring, Analyzing, and Controlling Instruments	1
39	Miscellaneous Manufacturing Industries	10
40	Railroad Transportation	1
41	Local And Suburban Transit And Interurban Highway Passenger Transportation	3
42	Motor Freight Transportation And Warehousing	2
43	United States Postal Service	3
44	Water Transportation	9
47	Transportation Services	4
48	Communications	3
49	Electric, Gas, And Sanitary Services	1
50	Wholesale Trade-durable Goods	28
51	Wholesale Trade-non-durable Goods	9
52	Building Materials, Hardware, Garden Supply, And Mobile Home Dealers	7
53	General Merchandise Stores	4
54	Food Stores	11
55	Automotive Dealers And Gasoline Service Stations	11
56	Apparel And Accessory Stores	10
57	Home Furniture, Furnishings, And Equipment Stores	11
58	Eating And Drinking Places	21
59	Miscellaneous Retail	52
60	Depository Institutions	9
61	Non-depository Credit Institutions	3
62	Security And Commodity Brokers, Dealers, Exchanges, And Services	15
64	Insurance Agents, Brokers, And Service	10
65	Real Estate	13
70	Hotels, Rooming Houses, Camps, And Other Lodging Places	2
72	Personal Services	14
73	Business Services	37
75	Automotive Repair, Services, And Parking	6
76	Miscellaneous Repair Services	8
78	Motion Pictures	1
79	Amusement And Recreation Services	4
80	Health Services	71
81	Legal Services	17
82	Educational Services	7
83	Social Services	15
84	Museums, Art Galleries, And Botanical And Zoological Gardens	3
86	Membership Organizations	18
87	Engineering, Accounting, Research, Management, And Related Services	58
89	Miscellaneous Services	17
91	Executive, Legislative, And General Government, Except Finance	7
92	Justice, Public Order, And Safety	1
93	Public Finance, Taxation, And Monetary Policy	1
95	Administration Of Environmental Quality And Housing Programs	1
99	Nonclassifiable Establishments	27
	Unknown	26
	<b>TOTAL</b>	<b>684</b>

Sources: (1) Listing of Essex Businesses Conducted by InfoUSA in January, 2005; (2) Town of Essex Personal Property Database; Compiled by HMA, Incorporated in March 2005.

10/13/05